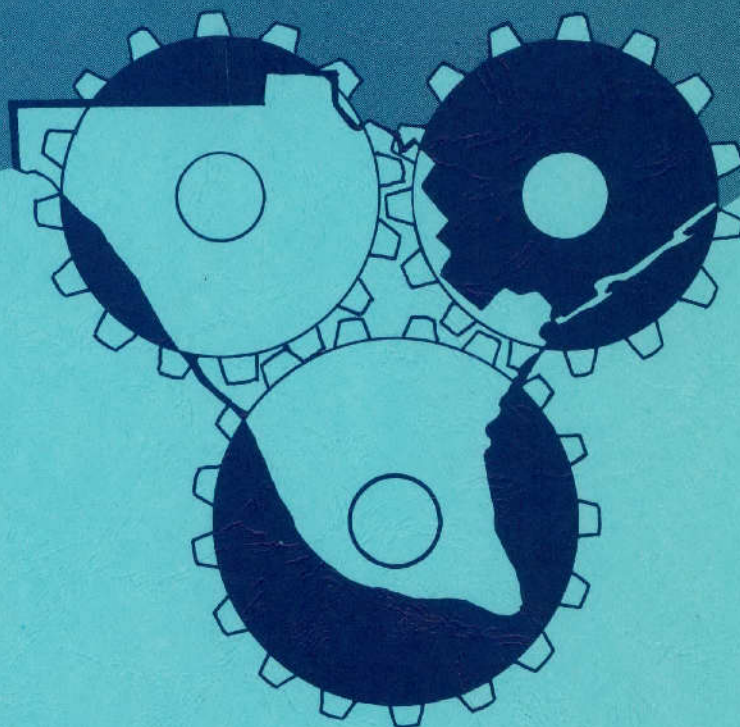


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ACCELERATING DEVELOPMENT OF SOUTH TEXAS:

A Report to
the Governor &
66th Legislature



GREATER SOUTH TEXAS
CULTURAL BASIN COMMISSION

DOLPH BRISCOE, GOVERNOR OF TEXAS
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**ACCELERATING DEVELOPMENT OF
SOUTH TEXAS: A REPORT TO THE
GOVERNOR AND 66TH LEGISLATURE**

**OFFICE OF THE GOVERNOR
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION**

JANUARY 1979

DOLPH BRISCOE
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DOLPH BRISCOE
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OFFICE OF THE GOVERNOR
GREATER SOUTH TEXAS CULTURAL BASIN
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To: The Honorable Dolph Briscoe, Governor
The Honorable William P. Hobby, Lieutenant Governor
The Honorable Bill Clayton, Speaker, House of Representatives

Gentlemen:

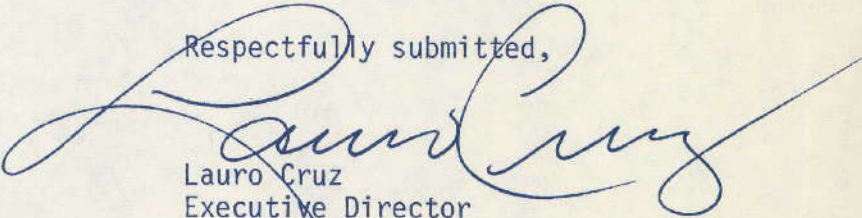
I hereby transmit Accelerating Development of South Texas: A Report to the Governor and Legislature prepared by the Greater South Texas Cultural Basin (GSTCB) Commission. This document, which fulfills the reporting requirements of The Cultural Basin Act of 1973, represents months of work by dedicated Commissioners, members of advisory committees, and staff.

The problems of South Texas are many and complex. They can be solved, but a commitment on the part of elected and appointed officials and private citizens is necessary. The problems can be grouped into those restraining economic development and those limiting human resource development. To meet these problems the GSTCB Commission has carefully formulated 57 recommendations to develop both the human and economic resources of the forty-county Basin.

The Commission has also prepared a \$2.75 million Development Grant Proposal for the 1980-81 biennium, which is part of the Executive Budget. This development grant--authorized in the Commission's enabling legislation--is essential to accelerating economic development in South Texas. Because this proposal and many of the 57 other recommendations discussed in this report are legislative in nature, support by the Governor and 66th Legislature is essential if these proposals are to result in action.

The GSTCB Commission is a unique structure composed of private citizens, federal and state agency heads, and the chairpersons of regional councils of governments in South Texas. It is an intergovernmental decision-making body that can promote economic development and help direct services to the community level. The activities and accomplishments cited in this report confirm that the GSTCB Commission is making an impact. If we all continue to work together, the people of South Texas will have more opportunities and a better quality of life.

Respectfully submitted,


Lauro Cruz
Executive Director

ACKNOWLEDGEMENTS

The Greater South Texas Cultural Basin Commission expresses special appreciation to the following parties who assisted in the preparation of this report.

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SUMMARY OF RECOMMENDATIONS

CAPITAL RESOURCES

- . The Legislature should appropriate \$5 million to the Rural Industrial loan fund administered by the Texas Industrial Commission.
- . The GSTCB Commission should support the efforts of the Texas Industrial Commission's Division of Minority Business Enterprise to help establish small business investment corporations and minority enterprise small business investment corporations in the Basin.

COMMUNITY DEVELOPMENT

- . The Economic Development Administration of the U.S. Department of Commerce should give special consideration to Title IX projects submitted by communities in the Basin.
- . Congress should enact new legislation governing formal military notification to affected communities of intended base realignment by requiring the military to allow a minimum of two years after the final decision has been made to cut back or close a military installation. The legislation should include a phasedown plan for military cutbacks or closings.

NATURAL RESOURCES

- . The Texas Department of Water Resources (TDWR) should continue a state-wide program to educate citizens on the critical water needs of their region and state. The Legislature should assure adequate funding for such a program, and the GSTCB Commission should assist the TDWR in the program.
- . The Legislature should identify methods of gaining public support for financing water development in Texas.
- . The Congress should appropriate \$30 million over a four-year period to implement Public Law 95-592, which establishes a research, development, and demonstration program of guayule rubber production and manufacture as an economic development opportunity for the Southwest.

MARKETING

- . The Legislature should appropriate \$3.6 million to the Texas Tourism Development Agency for the 1980-81 biennium.
- . The Texas Tourist Development Agency with the GSTCB Commission should develop package tours for South Texas to be offered to travel bureaus. This package should utilize as many Texas-based transportation modes as possible.

- The Legislature should pass enabling legislation allowing expansion of the city "room tax" to allow counties to collect the tax in unincorporated areas on an optional basis.
- The State of Texas should support the continuation of Sections 806.30 and 807.00 of the United States Tariff Classification Act of 1962 which deal with taxes on imported goods.
- The Legislature should increase funding for the International Development Division of the Texas Industrial Commission to expand their international marketing operations for the purpose of aiding and assisting the Texas business community in their entry into foreign markets, and to develop and maintain information services to identify foreign markets and match those markets with Texas Suppliers.

TRANSPORTATION

- The Legislature should identify additional sources of revenue to finance intermodal transportation projects.
- The Legislature should amend Vernon's Civil Statutes to exempt intrastate motor carrier shipments of agricultural and horticultural products from economic regulations.
- The Legislature should amend Article 911b, Section 6-aa of Vernon's Civil Statutes to provide that contract carrier rates be determined on their own merit, using the "just and reasonable" principle, independent of any rates applicable to common carriers.
- The Legislature should increase funding to the Texas Railroad Commission and consider amendments to the Motor Carrier Act in order to expedite the certificating process.

EDUCATION

- The Texas Education Agency should seek an appropriation from the Legislature for the 1980-81 biennium to conduct a study to determine the number of dropouts and the reasons for the students leaving school. such a study would assist in providing a basis for developing programs to address the dropout problem.
- The State Board of Education and the Texas Education Agency should give high priority to the problem of school dropouts in 1979, and should determine the feasibility of including a request for alternative education programs as a line item under the state's foundation school program to local schools in the 1980-81 budget.
- The Legislature should appropriate at least \$15 million for the 1980-81 biennium to the Texas Education Agency for bilingual education programs.

- The Texas Education Agency should implement a bilingual education program from kindergarten to grade 5, and the Legislature should appropriate \$20 million for this program for the 1980-81 biennium.
- The Texas Education Agency should develop, finance, and locate materials on Mexican-American history and culture and make these available to local school districts.
- Congress should appropriate \$325 million for the fiscal years 1970-1983 inclusively to the U.S. Department of Health, Education and Welfare for career education programs.
- The Texas Education Agency should encourage local school districts to continue to recruit and hire Mexican-American teachers, counselors, and administrators in proportion to their ethnic enrollments.
- The Legislature should appropriate the necessary funds to provide the Texas Education Agency with \$704.1 million in the 1980-81 biennium to accomplish the vocational education objectives set forth in their current five-year plan.
- The Texas Education Agency should adjust its projections in the five-year state plan concerning the percentage of high school students participating in voc-ed programs, services, and activities in 1979-1983.
- The Texas Education Agency should provide the necessary financial assistance to school districts in the basin without vocational guidance counselors to hire individuals providing guidance and counseling guidance to vocational students by 1980.
- The Legislature and the State Board of Education should lower the requirements that local school districts must meet to qualify for one vocational counselor from 300 to 200 students regularly enrolled in voc-ed programs.
- The Texas Education Agency should fund a least two local education agencies in the Basin to hire an individual to provide education and job placement services to students in 1980.
- The Texas Education Agency should encourage small school districts to form a consortium to share the cost of a vocational counselor by pooling their voc-ed enrollments to meet the state requirement with a minimum of 150 students.
- The Texas Education Agency and the Advisory Council on Technical-Vocational Education should encourage adjoining school districts to coordinate their vocational education programs.
- The Texas Education Agency should provide funds to local education agencies in areas of the Basin with high concentrations of youth unemployment and school dropouts to provide vocational and academic services to disadvantaged persons during 1980.

- The Texas Education Agency should provide funds to local education agencies in the Basin to increase the new slots available in 1980 for full-time or part-time jobs for school youth needing the earnings to continue their vocational training.
- The Texas Education Agency should fund at least nine exemplary and innovative programs in the Basin in 1980 in the following program areas:

At least four new programs in local education agencies to improve vocational training to the limited English-speaking;

At least one new program in a local education agency aimed at establishing cooperative agreements with manpower agencies;

At least one new program in a local education agency to provide vocational training to youth with academic, socio-economic, or physical handicaps;

At least one new program in a rural school district to improve vocational education; and,

At least two new programs in urban school districts.

- Local school districts should develop or expand programs which involve parents in the development of school curriculum and instructional materials and in school activities. The Texas Education Agency should continue to assist local school districts in developing these programs.
- The Legislature should appropriate at least \$23.7 million to the Texas Education Agency for adult education for the 1980-81 biennium.
- The Texas Education Agency should continue to develop adult bilingual education programs particularly in South Texas during the 1980-81 biennium.
- The Texas Education Agency should continue to pursue the identification of the requirements for certification of adult education teachers by 1980.
- The Texas Education Agency should seek federal funds to conduct a detailed study on: (1) the effects of bilingual education on improving the education of Mexican-American students, (2) the effects of skill training on retaining students in school, and (3) skill training as an attractant to industry.

EMPLOYMENT/MANPOWER

- The U.S. Department of labor should increase funding of the Texas Employment Commission, not only to provide the present employment services in the Basin, but to expand those at limited-service offices.

- . As federal funds become available, the Texas Employment Commission should expand the scope of services at existing offices in small cities located in counties with high unemployment. Priority should be given to Rio Grande City, Sinton, Seguin, Alice, and New Braunfels.
- . The Legislature should appropriate \$3 million for the 1980-81 biennium to expand the Industrial Start-Up Training Program administered by the Texas Education Agency and the Texas Industrial Commission.
- . The Legislature should appropriate \$200,000 for the 1980-81 biennium to the Industrial Start-Up Training Program administered by the Texas Education Agency and the Texas Industrial Commission to provide training services exclusively in counties with unemployment rates higher than the national rate.
- . The U.S. Congress should continue to appropriate funds to the U.S. Department of Labor under the Comprehensive Employment and Training Act to provide job training and employment opportunities to the nation's economically disadvantaged, unemployed, and underemployed population.
- . Prime sponsors and CETA-funded operators should closely coordinate their manpower programs with business, industry, adult education co-ops, educational institutions, economic development organizations, the Texas Department of Human Resources, and other affected human resource agencies.
- . The Congress should continue to appropriate funds to the U.S. Department of Health, Education and Welfare to provide day care services to needy children in the state.
- . The Legislature should appropriate funds to the Texas Department of Human Resources to provide day care services to a minimum of 19,500 children for each year of the 1980-81 biennium.

HEALTH

- . The Legislature should appropriate at least \$1.2 million for the 1980-81 biennium to the State Rural Medical Education Board to provide loans for medical students who agree to practice in rural areas.
- . The Texas Education Agency and local school districts should increase counseling and other programs to promote health careers, especially among minority students and students from rural areas.
- . The Legislature should establish a State Dental Education Board with the authority to provide loans, grants, or scholarships to dental students in the primary care field who agree to practice in rural areas.

HOUSING

- . Congress should continue to appropriate funds to the U.S. Department of Housing and Urban Development for Section 8 housing programs.

- . The Texas Department of Community Affairs should continue to provide one-day housing seminars in each of the five state planning regions in the Basin. The seminars should be followed by the intensive training of individuals from the Basin interested in developing expertise in housing.
- . The Legislature should appropriate \$2 million to the Texas Rehabilitation Loan Fund for the 1980-81 biennium to allow the Texas Department of Community Affairs to make low interest loans to rehabilitate homes.

TRANSPORTATION TO SOCIAL SERVICES

- . The U.S. Congress should create a Transportation Services Administration (TSA) in the U.S. Department of Transportation to administer all funds presently appropriated to federal agencies to provide transportation to social services. A TSA should encourage the merging of existing and future transportation systems to meet the transportation needs of the needy, particularly the indigent, handicapped and aging populations.
- . The Alamo Area Council of Governments, Coastal Bend Council of Governments, Lower Rio Grande Valley Development Council, Middle Rio Grande Development Council, and South Texas Development Council should take a leading role in coordinating within their regions the resources to transport the needy to medical and social services.

REGIONAL PLANNING AND COORDINATION

- . The federal government should make comprehensive planning and coordination grants to areawide planning and development organizations.
- . The Legislature should increase the amount of the State of Texas Regional Planning Assistance Grants at least to \$2 million for each year of the 1980-81 biennium to provide adequate funds to regional councils of governments to conduct comprehensive planning.
- . The Legislature should amend Article 1011M, Vernon's Annotated Civil Statutes, "Regional Planning Commissions," to require minority representation on the COGs' governing bodies in proportion to the minority population within each state planning region.

INTRODUCTION

This report presents documented recommendations developed by the Greater South Texas Cultural Basin (GSTCB) Commission for improving the economic and social welfare of Texans in a forty-county area in South Texas. This report also reviews the work of the GSTCB Commission since its last report in 1977, describes its current work program, and contains a development grant proposal designed to implement the recommendations derived from several years of careful planning.

The GSTCB Commission was authorized by the Legislature in 1973 and implemented by Governor Dolph Briscoe in June, 1974. Its purpose is to improve the standard of living of the residents of South Texas through stimulation of economic growth and improvement in the delivery of governmental services. The Commission represents a new governmental concept in dealing with socio-economic problems and a commitment on the part of the State to improve the quality of life in historically depressed South Texas.

THE CULTURAL BASIN CONCEPT

The cultural basin concept is a new approach to stimulating economic development and to improving the delivery of government services. Recognizing that there is significant variation among the people and the geographic areas of Texas, the Legislature, through the Cultural Basin Act of 1973, provided for the planning and coordination of programs on a regional basis. Regions with similar economic, social, historical, and geographical characteristics can be designated as "cultural basins." Within each basin, a commission serves as the vehicle through which governmental programs are tailored to the particular needs of the basin. The pilot project for this concept is a forty-county area of South Texas, designated the Greater South Texas Cultural Basin (Basin), that consists of five State Planning Regions: the Alamo, Coastal Bend, Lower Rio Grande Valley, Middle Rio Grande, and South Texas. (See map on page 8.)

THE COMMISSION

The structure for decision-making within each basin is the commission. The GSTCB Commission is composed of representatives of the local citizenry (5), councils of governments (5), and state (6) and federal (5) agencies, with the Governor serving as chairman. This partnership of efforts promotes several objectives.

First, it provides a forum through which the efforts of government agencies can be directed into a single comprehensive plan for attacking the problems of the Basin. Governmental agencies are making progress in improving the welfare of South Texans. But the problems of South Texas ~



GREATER SOUTH TEXAS CULTURAL BASIN

complex and require the consideration of the interrelationships of programs. The GSTCB Commission provides a vehicle of change broad enough to plan and implement interagency and intergovernmental programs.

Secondly, the structure provides for the local determination of needs. Including representatives from the local citizenry and regional planning organizations in the Commission membership provides local direction for needed actions and new programs, while making current governmental programs more responsive to local needs and priorities.

APPLICATION TO SOUTH TEXAS

The cultural basin concept and the intergovernmental approach are particularly appropriate for dealing with the complex set of social and economic problems which has plagued South Texas for decades. The problems, while basically economic in nature, are interrelated.

In order to improve the quality of life of the people on a long-range basis, it is necessary to help them become more self-supporting. South Texans must have jobs which carry adequate compensation to enable them to purchase the educational and health resources required to attain and then maintain a reasonable standard of living. At the same time, certain levels of human services must be made available if the people are to improve their skills and well-being so that they can qualify for these jobs. They must be trained and educated, and their health maintained, so that their usefulness to the employer can be maximized. This interdependence of factors is complicated by the proximity of the Basin to Mexico, giving South Texas the flavor of two cultures and the economic problems and resources of two countries.

The approach to these intertwining problems requires a unified and comprehensive effort and a firm commitment on the part of government. The GSTCB Commission offers a unique decision-making process that provides immediate as well as long-term benefits for dealing with these problems. South Texas' designation by the Legislature as the first cultural basin and the Governor's acceptance of the chairmanship of the GSTCB Commission demonstrate the commitment of the State to the improvement of the quality of life for South Texans.

WHY SOUTH TEXAS?

Complex problems exist in parts of the State other than South Texas. Why then did the Legislature designate South Texas as the region for the first cultural basin commission? Because, in analyzing the State it is readily apparent that South Texas is one of the most severely depressed areas, not only in Texas, but in the nation. The long-term economic and social problems that have been the barriers to the progress of South Texas arise from several sources, including the underdevelopment of human resources, the low level of educational attainment and lack of job training, language and cultural differences, remoteness from major centers of economic activity, scarcity of fresh water, and its proximity to Mexico.

Furthermore, the resources of South Texas have not been fully recognized and explored.

The Basin compares poorly to the State as a whole. A few statistics demonstrate the seriousness of the problems.

	<u>Basin</u>	<u>Entire State</u>
1. Incidence of Poverty (1970)*	29.2	18.8
2. Unemployment Rate (Annual Average 1977)	8.1	5.3
3. Counties with 8% or Greater Unemployment (October 1978)	10	13
4. Per Capita Personal Income (1969)*	\$2,666	\$3,303
% of National Average	65.3	90.0
5. % of Population Receiving Commodities or Food Stamps (August, 1973)	15.0	6.8
6. % of Population in Crowded Housing (1970)*	36.0	30.4
7. Median Educational Level, Persons Aged 25 and Over (1970)*	10.3	11.6

A closer look at individual counties or State Planning Regions in the Basin would indicate problems even more serious than indicated by the figures above. For example, the three-county Lower Rio Grande Valley State Planning Region had a 48.6 percent incidence of poverty, 31 percent of its population was receiving food stamps, and its percapita income was \$1,939; the four-county South Texas State Planning Region had a median educational attainment of just 7.1 years, and a annual unemployment rate of 14.6 percent, while Starr County had a 28 percent unemployment rate in October, 1978.

*Much of the socio-economic data currently available is derived from the 1970 Census. Thus, it is often difficult to ascertain if conditions have worsened or improved until a new census is taken. However, by 1975, the State's per capita income had risen to \$5,635 -- 95.5% of the national average. Thirty-six Basin counties had 1975 per capita incomes lower than Texas as a whole. Furthermore, 14 of these 36 counties had per capita incomes less than \$4,000, or less than 67.8% of the national average.

DEVELOPING SOUTH TEXAS

THE APPROACH

The approach of the GSTCB Commission is to first identify barriers to economic and social development, then to devise programs that can eliminate or significantly reduce these barriers. The thrust of the GSTCB Commission is along two routes--economic development and human resource development.

The strategy is to address specific resource needs in the economic development area and specific service needs in the human resource development area. Next, prepare recommendations, and then follow the recommendations through to implementation.

An important aspect of the implementation process will be the utilization of a development grant fund the GSTCB Commission is seeking from the 66th Legislature. Over 54% of the funds requested for this development grant will be spent on existing programs which are of proven value to the State. The remainder of the appropriation will be used for new and innovative programs or to provide matching funds for existing state and federal programs. (See the Development Grant Proposal chapter for more detail.)

RESOURCES IN SOUTH TEXAS

While South Texas has problems, it also has resources to deal with these problems. The Basin is a region of great potential. Three of its major resources are its abundant labor force, geographic proximity to the sea and Mexico, and special federal financial resources. These resources, coupled with others, can aid in attaining better economic and social conditions.

The challenge is to devise ways to make the most effective and efficient use of these resources. The GSTCB Commission, together with its committees, has been examining the needs of the region, the resources available for meeting these needs, and possible changes to present services and legislation that can enhance the economic and social development of South Texas.

THE COMMISSION'S WORK

A major task assigned to the GSTCB Commission in the authorizing legislation is the preparation of legislative and other recommendations with respect to both long-range and short-range programs and projects.

The GSTCB Commission has subdivided its task into two work areas, economic development and human resource development. Priorities and recommendations were established for each.

In economic development, the work of the GSTCB Commission was augmented by: (1) the findings from two grants made to the Commission by the Economic Development Administration, (2) the work of the Texas Water Development Board and the Texas Industrial Commission, (3) the recommendations produced at the Economic Development Conference held in Corpus Christi in September, 1976, (4) three recent grants from the Governor's Office of Budget and Planning, and (5) the work of the Commission's Economic Development Committee.

The focus in economic development is on the development of capital resources and natural resources, the development of community facilities and transportation networks, and the improvement of industrial prospecting capabilities and tourism marketing. Each component helps provide jobs--the key to an improved quality of life. Job training and employment services--programs that are also critical to economic development--are discussed under human resource development. A development grant appropriation will enable the GSTCB Commission to implement recommendations designed to improve economic conditions in South Texas.

In human resource development, the work of the GSTCB Commission was augmented by its participation with the five South Texas councils of governments (COGs) in the Regional Human Resource Development (RHRD) project funded by the U.S. Department of Health, Education, and Welfare. As a result of this major project, comprehensive human resource plans are being produced that identify needs and the services to meet them. Human resource development efforts were also augmented by a State Interagency Advisory Committee which was comprised of representatives from six major State human resource agencies. This Committee provided liaison between central offices of State agencies and their field personnel throughout the Basin and assisted the GSTCB Commission in effecting improvements in State agency services. The RHRD project has been completed, but the planning process created continues. In fact, the Texas Department of Human Resources (TDHR) has financial agreements with two of the Basin COGs to assist the TDHR in their planning and programming process (in connection with Title XX of the Social Security Act).

Additional augmentation in human resources was provided in the latter half of 1978 by the GSTCB Commission's Education Committee which focused on the problems of school dropouts and the need to improve vocational education opportunities.

The focus in human resource development is upon improvements to services in the areas of public education, employment/manpower, health, housing, transportation to social services, and regional planning and coordination. Education, job training, and employment services promote the development of human resources to enable South Texans to take advantage of new jobs and to function more effectively in society. These services help alleviate unemployment and thereby generate increased income. Health services, particularly to the young, are a sound investment as well as a source of career jobs. Effective planning and coordination by the regional councils of governments can result in improved human services at less cost.

THE REMAINDER OF THE REPORT

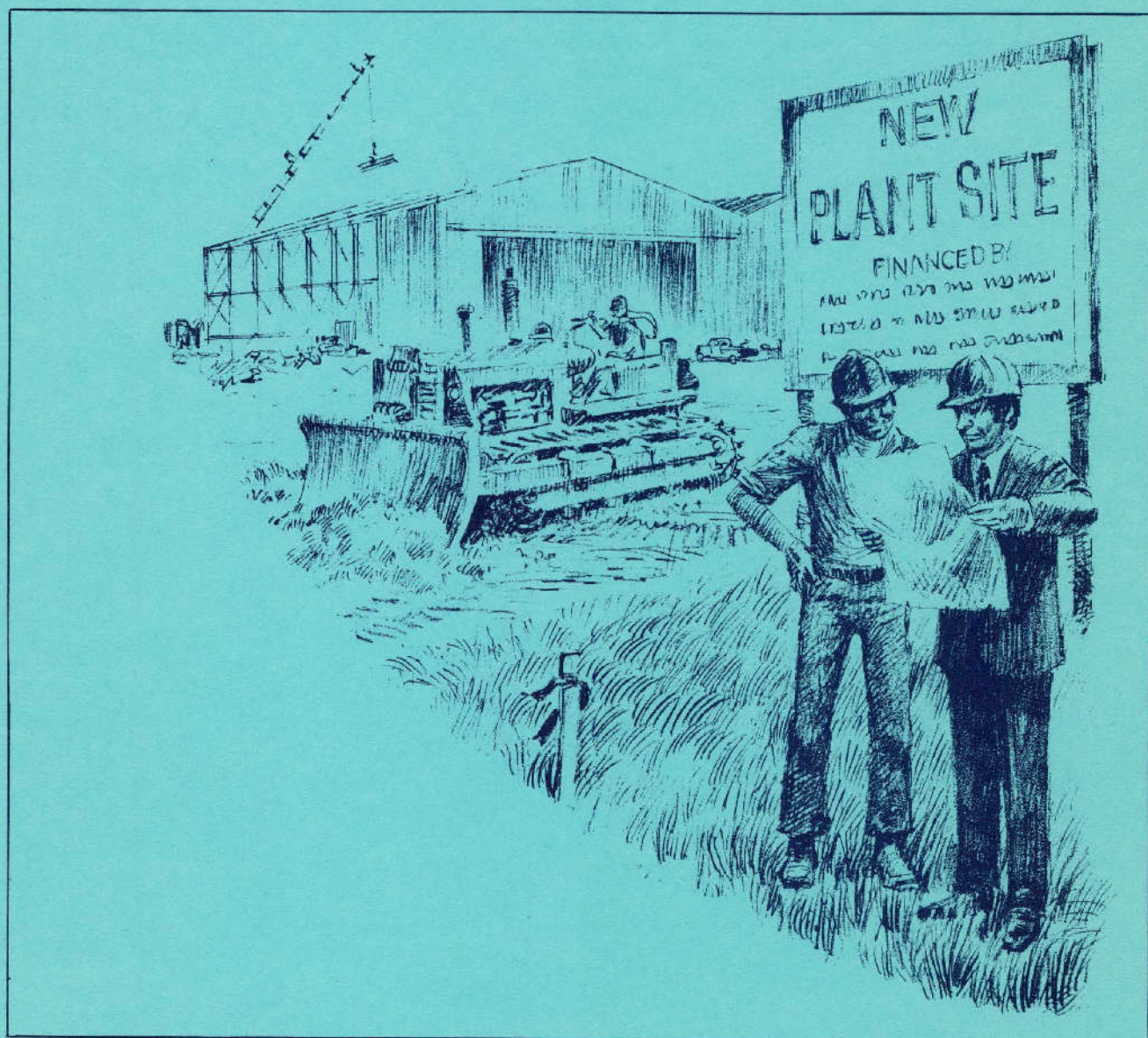
A set of priorities and recommendations, found in the Economic Development Chapter and the Human Resource Development Chapter, forms a program for action, one that can provide both immediate and permanent improvements in South Texas. The priorities and recommendations are concentrated in program areas that are capable of making fundamental changes in the lives of the people of in the economy of South Texas. The recommendations seek to eliminate the social and economic illnesses of the Basin, not just treat the symptoms--even though this too is important and necessary for the short run. With regard to human services, this means that the GSTCB Commission and this report did not attempt to deal with every existing program and service in the Basin. Not mentioning a program or service does not mean it is not needed, but rather that other programs and services were deemed to be more important to the Basin or that present demands are being met, or that additional service capacities were available.

The chapter on the Development Grant Proposal may well be the most important section of this document. Certainly, the planning process and its resultant priorities and recommendations should not be slighted. However, planning without implementation is a fruitless endeavor. Thus, if the GSTCB Commission's planning is to be truly successful, a development grant appropriation becomes essential.

The last chapter, Work Program, describes the ongoing efforts of the GSTCB Commission to improve the quality of life in South Texas by channeling federal and state funds to the Basin and by engaging in other activities that will promote economic and social development there. This chapter also serves as an annual report.

Collectively, the development grant proposal, the priorities, recommendations, and activities represent an action strategy for breaking the cycle of poverty, for breaking the chains of economic dependency in South Texas.

DEVELOPMENT GRANT PROPOSAL



DEVELOPMENT GRANT PROPOSAL

THE LEGISLATURE SHOULD APPROPRIATE \$2.75 MILLION AS A DEVELOPMENT GRANT TO THE GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION FOR PROJECTS, PROGRAMS, AND STUDIES. \$1.5 MILLION OF THIS GRANT WILL BE DIRECTLY CONTRACTED TO OTHER STATE AGENCIES TO BE EXPENDED IN SOUTH TEXAS.

The Greater South Texas Cultural Basin (GSTCB) Commission at its meeting on June 9, 1978, unanimously passed the following recommendations as part of its Development Plan for South Texas:

- A. \$1.5 million for industrial promotion and prospecting, for industrial start-up training, and for rural industrial loans for the Basin. Funds for industrial promotion and prospecting, and for rural industrial loans (from the Rural Industrial Loan Fund) would be contracted to the Texas Industrial Commission; funds for industrial start-up training in South Texas would be contracted to the Texas Education Agency and the Texas Industrial Commission.
- B. \$250,000 to plan and coordinate the development of a multi-modal transportation system in South Texas. The plan would be developed in cooperation with, but not limited to, the State Interagency Transportation Council, the Council for South Texas Economic Progress (COSTEP), and the five councils of governments in the Basin.
- C. \$800,000 to develop community facilities in South Texas. These funds would primarily be used by the GSTCB Commission to match federal grants and loans.
- D. \$200,000 to fund innovative human resources projects and programs.

The Greater South Texas Cultural Basin (GSTCB) Commission, authorized by the Legislature in 1973, was established to help improve the standard of living in South Texas by stimulating economic growth and improving the delivery of governmental services.

The "cultural basin concept" is a viable approach to improving conditions in the most economically depressed area of Texas. The GSTCB Commission has been engaged in a diligent planning process for over four years. However, planning alone is not enough! Members of the 63rd Legislature realized this when they passed The Cultural Basin Act of 1973 (See Appendix D). The Act calls for a development grant appropriation which will enable the GSTCB Com-

mission and other parties to implement the recommendations derived from the planning process. To date, the GSTCB Commission has not received a development grant appropriation; such an appropriation is being sought for the 1980-81 biennium.

Certainly, more money is not a panacea for the economic and social "ills" of South Texas. Thus, the GSTCB Commission has developed many recommendations which are designed to create productive changes within the framework of current agency programs and current appropriations. However, the need for increased funding of selected programs is often the only viable solution. The GSTCB Commission has carefully selected programs which will offer financial returns greater than the tax dollars invested.

Over 54 percent of the development grant fund will be used in programs which have already proven their value to Texas. The Rural Industrial Loan Fund, administered by the Texas Industrial Commission (TIC) and the Industrial Start-Up Training Program, operated by the Texas Education Agency in conjunction with the TIC, have been highly successful. Furthermore, the TIC's industrial promotion and prospecting efforts have done much to attract and assist industrial development in Texas.

Another large part (over 29 percent) of the proposed development grant will be used primarily to provide local matching funds for existing State and federal grant programs. Thus, over 83.5 percent of the development grant will be expended in a manner designed to obtain greater financial returns than the original investment.

The remainder (about 16 percent) of the proposed development grant also stands to obtain greater financial returns in addition to the social returns. The money invested in a transportation study could eventually save Texas farmers, manufacturers, and taxpayers many millions of dollars. And, while some human resources projects may appear to offer only social returns, other projects, like the Children's Heart Program of South Texas, can clearly demonstrate that many future tax dollars can be saved by investing a few dollars now.

This chapter further justifies a development grant appropriation to the GSTCB Commission and explains in more detail each of the four components of the development grant request.

JUSTIFICATION

The socio-economic "ills" of South Texas are well-known. They have been covered briefly in the Introduction of this report and are dealt with in more detail in the Economic Development and Human Resource Development Chapters. The forty-county Basin is not only one of the poorest areas in Texas but also compares poorly with the United States. A 1974 U.S. Department of Commerce study revealed that McAllen, Laredo, and Brownsville were the three poorest metropolitan areas in the nation based on per capita income.¹

Many South Texas communities have been faced with growing problems in the areas of industrial development, transportation, community development, and the delivery of human services. Because these problems are interrelated they must be addressed collectively in order to attain overall development in the forty-county Basin.

Although programs to attract industry exist, the majority of rural communities in Texas cannot compete with the urban areas. An example is provided in the Industrial Start-Up Training Program. Only 4.6 percent of the \$1 million state appropriation for this program was expended in the Basin during the 1976-77 biennium.² Since many South Texas communities, especially those in the rural areas, have high rates of unemployment, low per capita incomes, and high incidences of poverty, every effort must be made to attract industries to the areas where they are most critically needed.

Competitive transportation rates and services are necessary to attract industry. Transportation was listed in a 1974 study as a priority factor by 76 percent of the manufacturing plants seeking new plant locations.³ Because of its isolation from major markets and sources of raw materials, the quality of transportation services in South Texas is a critical factor in any economic development strategy.

A critical examination of South Texas transportation services reveals no integrated and balanced transportation plan. Rail and air service are underutilized and inequities in motor service regulations often create serious competitive disadvantages for South Texas shippers and producers.

Many South Texas communities are finding it increasingly difficult to meet the service needs demanded by their citizens. Traditionally, public services such as streets, parks, sewers, utilities, and schools, have been a community's responsibility. More recently, many communities have responded to their citizens' demands for other human services such as public health, manpower and other social services.

There are federal and state programs to aid communities in meeting their overall needs. Often, these programs give first priority to populous areas to benefit the greatest number of people. As a result, the bulk of the financial assistance is directed to the large urban areas, while less populated areas receive little or no assistance.

In addition, many of these programs require local matching funds. Large communities in Texas are usually able to provide the required matching funds to obtain federal or state grant assistance. But many smaller communities find it difficult to meet matching requirements due to low tax bases, low per capita incomes, and high incidences of poverty. They are often unable to acquire federal or state assistance even when such monies are available.

South Texas lags dramatically behind the rest of Texas and has not been able to successfully compete with other areas of the State. South Texas should be developed as quickly as possible in order to reduce its drain on public funds. South Texans need help to become more self-sufficient. The Legislature should demonstrate its recognition of this problem and its concern for the people of South Texas by making a \$2.75 million line-item appropriation to the GSTCB Commission for development purposes--as

prescribed by State law [Article 4413 (32d), Sec. 11, V.T.C.S.]. Recommendations supporting this development grant are contained in this report which is the development plan of the GSTCB Commission, as required by State law.

The GSTCB Commission has spent nearly \$1.5 million during a four-year planning phase. Some of this money has been used for implementing GSTCB Commission recommendations and supporting worthwhile programs and projects. However, much of the planning has been underutilized for lack of a development grant. If the money and effort thus far expended is to be effectively utilized, the Legislature must appropriate a development grant.

This proposal is for \$2.75 million, of which \$1.5 million will be contracted directly to other state agencies. The reason the GSTCB Commission is not seeking direct increased in the budgets of these State agencies is that these agencies might have difficulty in justifying the expenditure of a disproportionate share of their budget in South Texas. These are agencies with statewide missions; the GSTCB Commission is required by law to focus on South Texas.

The GSTCB Commission has demonstrated fiscal responsibility by successfully administering two grants from the Economic Development Administration (EDA) of the U.S. Department of Commerce. These grants, totaling over \$1.4 million, were used to convert the abandoned Laredo Air Force Base into an industrial park and to develop an economic readjustment strategy for other Basin communities facing base or plant closures and reductions-in-force.

In addition, the GSTCB Commission successfully administered a \$350,000 grant from the U.S. Department of Health, Education, and Welfare. The funds were used in the Regional Human Resource Development Project to develop a comprehensive human services planning process in the Basin. One measure of the success of this project has been the recognition of the value of this process by the Texas Department of Human Resources (TDHR) which has now contracted with two councils of governments in the Basin to assist TDHR in their planning process, particularly in the expenditure of Title XX funds under the Social Security Act.

The GSTCB Commission has developed rules governing grants-in-aid from the Commission. These rules were published in the January, 1977, Texas Register and were used in selecting five South Texas projects to financially support from operating funds during the summer of 1977. These projects included a summer screening and diagnostic project conducted by the Children's Heart Program of South Texas, vocational training programs conducted by the SER-Hidalgo County Jobs for Progress, a property reappraisal for the City of Edcouch, sewer services for the community of Seco Mines in Maverick County, and funds to match EDA Section 304 funds to construct a water storage tank in the City of Spofford.

USES OF THE DEVELOPMENT BLOCK GRANT

A. Industrial Promotion and Prospecting, Start-Up Training, and Rural Industrial Loan Fund (\$1.5 million)

1. Industrial Promotion and Prospecting (\$100,000)

The Texas Industrial Commission (TIC), established to assist Texas communities in attracting new industry, maintains a national media industrial marketing program for Texas. This marketing program is not directed at specific regions of the state, and has therefore contributed little towards a concentrated effort to develop new industry in the Basin. Of the 341 new plants or expansions in Texas from January to September, 1978, only 41 (12 percent of the total) new plants or expansions were located in the Basin.⁴

One of the most important functions of the TIC is to identify those out-of-state industries seeking relocation. This is done by promoting Texas in business journals, airline magazines, and other national publications. All inquiries resulting from these promotions are compiled and published monthly. This roster of prospective industries, called the "suspect list," is then forwarded to all industrial development groups that have requested to be on TIC's mailing list.

Each recipient of the list then begins the process of contacting industrial prospects to either invite them to visit the area or to make appointments to visit the prospect. Some groups do little more than correspond with the prospect, sending pamphlets and general information about their town. Others are more aggressive, telephoning the prospect and arranging for a visit by the industrial development team to his office. An industrial development team may see several prospects before getting one to visit their town.

While a more aggressive group stands a better chance of having industrial prospects visit their area, the cost per visit--counting the expense of initial travel by the town's representatives--may reach thousands of dollars. Yet, the likelihood of an industry actually moving into the area is low for many reasons. First, each visitor from the suspect list will probably take best advantage of his trip by scheduling additional visits to other sites in the region. Second, small urban areas are not only competing with each other, they also compete with large metropolitan areas such as Houston and Dallas, which have more resources with which to impress a prospect, are better known, and are major market and transportation centers. Third, initial presentations may be weak, leaving industrial visitors with a negative impression for reasons which have nothing to do with the relative merits of the town as a site for relocation.

Since TIC's industrial marketing program concentrates on attracting industry to Texas and industrial development groups promote development within their specific geographic areas, there is no concerted effort by the TIC because of their statewide mandate to specifically market the Basin as a suitable area for industrial development. Development grant funds in the amount of \$100,000 would be used by the GSTCB Commission to contract with TIC for the promotion of the forty-county Basin.

2. Industrial Start-Up Training (\$400,000)

The Industrial Start-Up Training Program, a cooperative venture by the Texas Education Agency (TEA) and the Texas Industrial Commission (TIC), provides occupational training to equip Texans with the requisite skills to qualify for job opportunities created by new or expanding industries. This program is ideally suited to develop both the skills of the labor force and the economy in the Basin; but it is apparent that cities in the Basin are not successfully competing in attracting industries through the program.

The Industrial Start-Up Training Program has worked well in Texas. The Texas Legislature appropriated \$1 million during the 1976-77 biennium, and about 12,000 people were trained through the program for identified jobs in new or expanding industries in Texas. But only seven industries utilizing this program located in the Basin. These industries generated 1,234 new jobs, \$316,192 in State and local taxes, and a total annual economic impact of \$35,207,390. The total funds expended in the Basin for this program amounted to \$46,900 or 4.6 percent of the \$1 million appropriated for the 1976-77 biennium.⁵

For the 1978-79 biennium, the Texas Legislature appropriated \$1.8 million for the Industrial Start-Up Training program to train about 18,000 people. Currently 5 companies utilizing the program have located in the Basin, generating 811 jobs, \$458,782 in State and local taxes, and a total annual economic impact of \$56,606,679. All of the \$900,000 for fiscal year 1978 has been committed to industries, but only \$39,900 or 3.7 percent has been committed to industries locating in the Basin.⁶

It is apparent that cities in the Basin are not successfully competing with cities outside the Basin in attracting industry. South Texas is the most economically depressed area in the State and had 10 counties with 8 percent or greater unemployment in October, 1978; yet, only 14 of the 341 new plant locations or expansions in Texas from January to September, 1978, were in these counties with high unemployment.⁸

The tremendous, positive impact of this program is desperately needed in the Basin. The Basin's labor force is large and young, and they want to work. The 62,027 unemployed persons in the Basin in October 1978,⁹ indicate there is sufficient manpower to support industrial development; however, this labor pool is characterized by low educational attainment levels and lack of salable skills. According to the 1970 Census, Spanish-surnamed Americans in Texas had a median educational level of 7.2 years, and only 17.1 percent of the Spanish surnamed males and 12.5 percent of the Spanish-surnamed females between the ages of 16 and 64 had received vocational training.¹⁰ Therefore, providing Basin residents with skills training through the industrial start-up program can reduce unemployment and improve the quality of life.

Development grant funds in the amount of \$400,000 would be used by the GSTCB Commission to contract with the TEA to provide industrial start-up training in South Texas.

3. Rural Industrial Loan Funds for South Texas (\$1,000,000)

The State can contribute to the development of Texas and infuse capital for development by making changes in the Rural Industrial Loan Fund. The Texas Rural Industrial Loan Fund was established by the Legislature in 1971 to meet a need in rural areas for long-term mortgage money for land and buildings. Its low interest rates provide an incentive to manufacturers to locate in rural areas. In 1973, the Legislature appropriated \$600,000 for the Texas Rural Industrial Loan Fund for re-lending. Six loans were made statewide creating 997 new jobs.¹¹ The industries financed are paying a total of \$194,150 in state taxes annually; total annual payroll was \$5,467,000. Of the total, \$160,000 has been loaned in Alice in the Basin. This loan in Alice created an annual payroll of \$1,000,000 and 215 new jobs as well as \$40,000 in state taxes. Neither the 64th nor 65th Legislature appropriated additional funds for the Rural Industrial Loan Fund. Repayments on the original six loans has allowed the TIC to make two additional loans, neither of which was in the Basin.¹²

The law permits the Texas Industrial Commission (TIC) to participate with up to 40 percent of the total project cost of land, building, and fixed assets. In 1975 the average participation by TIC was 22.7 percent. Thus, for each \$1 the State has loaned, \$4.75 has been loaned or invested by other sources.¹³

To qualify for the Rural Industrial Loan Fund, 10 percent of the project cost must be contributed by the non-profit local development corporation. These corporations are usually chartered as industrial foundations whose membership is composed of community leaders. The remaining 50 percent of the project cost is normally loaned by local lending institutions. In some cases where local lenders reach their loan limit, other private or public financing can be combined to develop the total package.

The Texas Rural Industrial Loan Fund has generated jobs and new local and state taxes. It supports private enterprise by participating with local banks, industrial foundations and new business ventures to create new jobs. By increasing the fund and making more monies available for use in South Texas, new industries and entrepreneurs will create jobs in the most under-developed area of the State.

Development grant funds in the amount of \$1 million would be contracted to the TIC which would place the \$1 million in the Rural Industrial Loan Fund and " earmark " these funds for loans in the forty-county Basin.

B. Development of a Transportation System (\$250,000)

Competitive transportation rates and services are necessary to attract industry to South Texas. However, freight shipment costs are high due to the region's remoteness from intrastate and interstate markets. As a result, industrial and agricultural development has suffered. Other deterrents to the Basin's growth are inadequate rail and air service, discrepancies in state and federal regulations governing carriers, a lack of substantial regional transportation data and research, and the absence of a coordinated and unified transportation plan for the Basin.

Six major airports provide commercial service to the Basin. However, over 78 percent of the Basin's 1975 total air freight was shipped into or out of the San Antonio airport.¹⁴ This indicates that goods were often trucked long distances in order to be air freighted. The total goods shipped by air into or out of the Basin represented only 5.7 percent of the State's total air freight.¹⁵ Air service to South Texas needs to be improved. A study concerning the feasibility of an interregional airport facility in the valley should be conducted. The Federal Aviation Administration's September, 1977, proposal to close airport traffic control towers in Brownsville, Harlingen, McAllen, and Laredo has yet to be resolved.¹⁶ Should these facilities be eventually closed, an airport study would be necessary to avoid economic loss and to continue air transportation service to South Texas.

Rail service to South Texas is also inadequate. A 1975 study indicated that the Lower Rio Grande Valley's rail system was operating at about 20 percent of capacity. The percentage of fresh agricultural products shipped by rail has steadily declined from 44.8 percent of the total goods shipped in 1964 to 18.6 percent of the total goods shipped in 1974.¹⁷ Regional rail rates are often non-competitive with those of other states. As a result, previous rail service users have increasingly patronized motor carrier service.

Many rail lines are being considered for abandonment. GSTC Commission staff testified in March, 1978, at a hearing in Alice, Texas, concerning the proposed abandonment of about 150 miles of rail spanning 7 counties from Victoria County to Hidalgo County.¹⁸ A decision regarding this abandonment is still pending. Amtrak service from Chicago to Laredo via San Antonio is being considered for discontinuance. An in-depth study of rail transportation is clearly needed.

Due to inadequate rail and air services, South Texas is almost entirely dependent upon motor carriers to move its products quickly to markets. South Texas must compete in national markets against producers from California and Florida. Transportation rates, services, and facilities are critical determinants in the highly competitive produce industry.

Three types of motor carriers operate in Texas: contract carriers, common carriers, and specialized motor carriers. A confusing array of regulations regarding these carriers often deprives South Texans of adequate service. The specialized motor carrier transports livestock and agricultural commodities. The Interstate Commerce Act permits an authorized contract motor carrier to handle a shipment at a lower rate than a common motor carrier could charge for the same shipment. However, intrastate regulations effectively destroy the principal advantages offered by contract motor carriers since they cannot carry shipments at rates lower than the common motor carrier. Many transporters of agricultural products refuse to provide service during "off-seasons" although they have agricultural permits. This creates a shortage of trucks to haul products and drives rates up even higher. Intrastate shipments of agricultural goods are regulated by the Texas Railroad Commission, while interstate shipments are exempt from state and federal economic regulations. This inequity of interstate and intrastate policies has created a serious competitive disadvantage under which South Texas shippers and producers currently operate.¹⁹

An integrated and balanced transportation system plan for the Basin must be formulated in order to develop the transportation services necessary for economic development. Fragmented state policy has discouraged intermodal planning, and there is no single mechanism to plan and coordinate a basinwide transportation system. A Basin plan would investigate the potential of a multi-modal freight terminal that could accumulate small shipments at a central point and improve rates and services. The plan would also assess the impact of present regulatory constraints and identify any necessary changes.

The GSTCB Commission can coordinate the development of integrated and balanced transportation system plans for South Texas. Development grant funds in the amount of \$250,000 should be used for this purpose.

C. Community Development (\$800,000)

Community development is integral to attracting new industry and to expanding existing industry in the Basin. Every community has an "infrastructure"--a foundation of basic services and facilities for its population, such as schools, utilities, medical facilities, housing, and streets. Community development projects can assist communities in improving and expanding these services. Community development block grant funds from the U.S. Department of Housing and Urban Development (HUD) and public work funds from the Economic Development Administration (EDA) are basic sources of funds for community development. Other sources of funds for community development projects include the Farmers Home Administration (FmHA), and the Texas Department of Water Resources (TDWR) which administers grant funds from the U.S. Environmental Protection Agency.

Title I of the Housing and Community Development Act of 1974 (P.L. 93-383) created a community development block grant program effective January 1, 1975. This new Act replaced eight categorical grant and loan programs: Open Space grants, Urban Beautification grants, Historic Preservation grants, Public Facility loans, Water and Sewer grants, Neighborhood Facilities grants, Urban Renewal and Neighborhood Development Program grants, and Model Cities Supplemental grants.²⁰

Eighty percent of all funds are used in Standard Metropolitan Statistical Areas (SMSAs) and the remaining twenty percent are used in non-metropolitan areas. There are three types of funding available under the Act--entitlement, "hold harmless," and discretionary. Entitlement funding is the major funding method and determines the amount a metropolitan city or urban county receives by a formula based on population, extent of poverty, and overcrowded housing. Discretionary funds come from balances after entitlement and hold harmless commitments to metropolitan and non-metropolitan areas have been met, and from the HUD Secretary's discretionary fund.

Twenty-two cities in the Basin receive funding under Title I of the Act. Nine of these are entitlement cities; the other thirteen cities qualify for funds under the hold harmless provisions. Congress seriously considered eliminating the hold harmless provisions in 1977. If the hold harmless provisions had been deleted, the thirteen cities would have lost over \$6.5

million a year in community development funds. These 13 communities would have had to compete with over 100 other incorporated communities in the Basin for limited discretionary funds. In fiscal 1976, only twenty-three communities in the Basin received funding from discretionary funds.²¹

While community development block grants (CDBG) are 100 percent grants and thus require no local matching funds, the number and types of project applications for the program indicate the great need for development of South Texas communities. HUD will soon announce the recipients of new CDBGs. Entitlement grants are expected to increase but expected reductions in discretionary funds will leave Texas "holding its own" in the CDBG program.²²

Grants for comprehensive planning are available from HUD under Section 701. However, only limited funds are available and applicants must provide a 33 percent match. A total of 153 local governments made applications in fiscal year 1979, 23 of which were in the Basin. Thirty-three applicants received funding; nine were from the Basin.²³

The Public Works and Economic Development Act of 1965 provided for the establishment of the Economic Development Administration (EDA). The purpose of EDA is to help create employment opportunities and improve the living standards in areas burdened by high unemployment or low family incomes. EDA may provide grants and loans for public works and development facilities to enhance economic and social growth in these areas.

Under direct grants, an eligible project in designated areas may receive grants covering up to 50 percent of the total project costs. Supplementary grants are available to eligible projects in severely distressed areas. These supplementary grants provide additional assistance to augment basic grants from EDA or from other federal agencies when applicants are unable to supply the required local share. Combined federal grants cannot exceed the maximum grant rate that EDA has established for that project area.²⁴

There are 95 incorporated communities in the Basin with populations of 5,000 or less. Due to low tax bases, low per capita incomes, and high incidences of poverty, many of these communities cannot meet the matching requirements for EDA grants.

Under the Local Public Works (LPW) Act of 1976, EDA grants were made available which would cover the entire cost of an eligible project. There were 306 proposals submitted by eligible applicants from the Basin, and only 37 were funded in "Round One" which ended December, 1976. A "Second Round" of LPW ended July 31, 1977. There were 292 proposals submitted by eligible applicants from the Basin and 67 were funded.²⁵ Thus, many worthwhile projects still need funding from some source. GSTCB Commission Development Grant funds could help some of these communities provide the local match to qualify for funding under programs other than LPW.

The Governor's Budget and Planning Office (BPO) is involved in state-wide economic development planning. Under Section 304 of the Public Works and Economic Development Act of 1965, as amended, BPO has allocated over \$1.4 million for public works projects. An additional allocation from EDA of approximately \$700,000 is expected in early 1979.²⁶ Money from the GSTCB

Commission's proposed Development Grant could be used to provide the state matching funds (20 percent of total project costs) required to use Section 304 funds for public works projects in the Basin.

The Consolidated Farm and Rural Development Act of 1961, as amended by the Rural Development Act of 1972, authorized the Farmer's Home Administration (FmHA) to make community facilities loans. Funds may be used to develop communities' facilities for public use in rural areas and towns of up to 10,000 population. Any community which can obtain credit from commercial or cooperative sources is not eligible for a loan from FmHA. Communities smaller than 5,500 population are given priority under this program. But these small communities--there are 95 such incorporated cities in the Basin--often find it difficult to acquire matching funds for grants, much less repaying a loan.

The FmHA is also authorized to provide loans and grants for the construction of water and waste disposal systems in rural areas. FmHA can provide grants when the cost of the proposed water or sewer facility would result in excessive user charges. Priority is given to public bodies, small towns with deteriorating systems, and applicants seeking to extend or modify existing systems.

The major restriction on FmHA grant funds is that they may not exceed 50 percent of the project's eligible development cost. This does not mean that the total amount of grant funds from all funding sources, including FmHA, must be limited to 50 percent of project cost. To the contrary, the total amount of grant funds from other state and federal sources may be 80 percent to 90 percent or more, depending upon the programs used.

The 50 percent grant limitation does affect communities which must rely solely on FmHA for water and sewer financing. A significant problem is that FmHA does not have sufficient grant funds to distribute to the many eligible communities. Therefore, applicants are encouraged to supplement FmHA funds with grants from state and other federal agencies to reduce user charges and help make the project more economically feasible.²⁷

The Texas Department of Water Resources (TDWR) is concerned that present and future water demands in Texas are met at the least possible cost while simultaneously providing adequate protection to the environment. The TDWR administers two loan funds to assist communities in meeting their water needs. One fund assists communities in obtaining adequate water supplies and the other assists in improving wastewater systems.

The TDWR also administers Environmental Protection Agency (EPA) grants to improve water quality through pollution control. These EPA grants require a 25 percent local match. Many South Texas communities cannot take advantage of the TDWR's loans or the EPA grants because the communities are unable to repay the loans or provide the local matching funds. The GSTCB Commission, utilizing a Development Grant fund, could assist these communities in making the size of the loans affordable or in meeting the local matching requirement.

The GSTCB Commission received a grant from the Economic Development Administration in 1976 to develop community economic adjustment strategies for potential military base closings. The Industrial Economics Research Division of Texas A&M University conducted the study through an interagency contract. Over \$100 million of needed projects were identified.²⁸ They included water system and sewer system improvements, transportation improvements, tourist and convention facility developments, industrial site developments, flood control projects, and a need for further technical assistance studies. Yet, this report only included large Basin cities with military facilities. The GSTCB Commission has been asked to assist Skidmore, Tynan, Santa Rosa, and other small communities in solving their water, sewer, and other needs.

Development Grant funds in the amount of \$800,000 would be utilized by the GSTCB Commission to assist communities in South Texas in meeting local matching requirements of the federal government, in making the size of loans affordable, and in matching EDA Section 304 grants.

D. Human Resources (\$200,000)

Recently, many communities have responded to their citizens' demands for other human services such as public health, manpower, and other social services. The major sources of funds for these services have been the U.S. Department of Health, Education and Welfare (DHEW) and city or county government revenues.

Through the Regional Human Resource Development (RHRD) project, the GSTCB Commission has linked State and regional planning for more effective planning and management of human services in the Basin. The human needs of the people living in the forty-county Basin have been identified. The majority of these needs is being met by programs funded directly or indirectly by DHEW. Many city or county governments are involved in providing human services that meet the needs of their citizens.

As a result of the RHRD planning activities, innovative proposals responding to identified needs are being sent to the GSTCB Commission for funding consideration. Most of these proposals are ineligible for funding under existing federal and state programs. Development Grant funds in the amount of \$200,000 would be utilized to fund innovative human resources projects and programs.

1. The Children's Heart Program of South Texas (\$50,000)

The Children's Heart Program of South Texas (CHPST) has been delivering sub-speciality health care services to children for over four years. By instituting a mobile health delivery system and utilizing satellite clinics, CHPST has been able to serve rural areas that normally have little or no health services. In addition to registered nurses trained as pediatric cardiology associates, CHPST employs a psychologist and an anthropologist who attend to the social, psychological and cultural aspects necessary to comprehensive health care. CHPST's primary objective is to provide pediatric cardiology care through screening, diagnosis, treatment and correction, and social services to patients and their families. Accessibility to these services is provided by holding cardiology clinics in eleven regional sites.

The secondary objective of CHPST is to improve the general health care with an emphasis on preventive medicine--especially in rural areas. Thus, nephrologists, endocrinologists, and other subspecialty pediatricians are regularly involved.

During the summer of 1977, CHPST with the aid of a GSTCB Commission grant conducted a Summer Screening and Diagnostic Project. Almost 4,000 children were screened. Those children with critical problems were referred for emergency treatment and their progress monitored. Children with less critical problems were scheduled for later treatment.

CHPST has relied on the U.S. Community Services Administration (CSA) and private donations for their major sources of financial support. But, CSA will soon discontinue funding as CSA considers their role to be a "seed source" and that state or other sources should now provide funding. The preventive medicine approach employed by CHPST is clearly one that should interest the State of Texas. By finding and treating problems in their early stages, thousands of tax dollars are saved over the cost of hospitalization and treatment of more serious conditions.

The GSTCB Commission intends to fund the CHPST to conduct Summer Screening and Diagnostic projects with a portion of the \$200,000 designated for human resources projects. CHPST will need \$50,000 to successfully complete one summer project.

2. Drop-out Study and Alternative Education Program Feasibility Study (\$50,000)

The educational attainment level of the people in the Basin is lower than in the rest of the State. The median educational level in the region was 10.3 years in 1970, compared to 11.6 years for the State as a whole. The median educational level of Spanish-surnamed Texans was 7.2 years in 1970. This has a definite impact on South Texas because Spanish-surnamed persons comprised 53.5 percent of the region's total population or 51 percent of the State's total Spanish-surnamed population in 1970.

Though the problem is not restricted to the Mexican-American population, it is more pronounced among this minority. A series of reports on the education of Mexican-Americans in the Southwest conducted in 1974 by the U.S. Commission on Civil Rights identified that only 6 out of every 10 Mexican-Americans enrolled in the first grade graduate from high school, while 9 out of every 10 Anglos enrolled receive high school diplomas. Therefore, approximately 40 percent of the Mexican-Americans who start school in the Southwest, including Texas, drop out before completing high school.³⁰

A comprehensive study regarding drop-outs needs to be conducted in order to ascertain the exact number of drop-outs, why students drop out, where they go and what they do, and how they may be brought back into the educational system. Such a study could be done in South Texas where the drop-out problem is particularly severe. The study would be useful to educators statewide.

There is a definite need for drop-out prevention programs in many of the schools in the Basin. The program would provide specialized counseling

and curriculum for drop-outs and potential drop-outs. Federal funds are available for drop-out programs under Title IV, Part C, of the Elementary and Secondary Education Act (ESEA), but the funds are limited. Currently, there are seven projects funded under ESEA in Texas; three are in the Basin.³¹

Although there are no specific funds at the State level for such programs, a school district can utilize the State's Foundation School Program Allocations to operate an alternative school for drop-outs and potential drop-outs. The Corpus Christi Independent School District operates an Alternative Education Center for drop-outs and potential drop-outs. The Center serves about 325 students and graduates about 110 students each year.³² Naturally, operating such a center costs more because of the emphasis on individualized instruction. As a result, more school districts do not utilize this approach because the local school district has to pay for the added cost not covered through the Foundation School Program.³³ A separate State program for drop-out programs is needed in Texas, particularly South Texas.

Texas needs to conduct a study to determine the feasibility of alternative education programs. South Texas, because of its drop-out problem and the existence of a successful alternative education center, would be a good study area. (See the Education Section of the Human Resource Development Chapter for additional information.) Such a study would have statewide applications.

The GSTCB Commission intends to use \$50,000 of its \$200,000 development grant for human resources to conduct a drop-out study and a study of alternative education programs.

3. Other Innovative Human Resource Projects (\$100,000)

Many innovative proposals have been sent to the GSTCB Commission as a result of RHRD planning activities and in response to the grants-in-aid program conducted with State general revenue funds during the summer of 1977. The GSTCB Commission would utilize the remaining \$100,000 of the \$200,000 development grant for human resources for funding other projects which will have a significant impact on the quality of life of the people of South Texas.

FOOTNOTES

¹Kenneth R. Sheets, "Poorest Area in America Begins to Fight Its Way Up," U.S. News & World Report, October 7, 1974, pp. 45-48.

²Texas Industrial Commission, unpublished information on the Industrial Start-Up Training Program, Austin, Texas, December, 1978.

³The Council for South Texas Economic Progress, Transportation as a Catalyst for Improving Socio-Economic Conditions in South Texas, (McAllen, Texas), 1974, pp. 1 and 2.

⁴The University of Texas at Austin, Bureau of Business Research, Texas Industrial Expansion, November, 1978, pp. 5-7.

⁵Texas Industrial Commission, unpublished information, December, 1978.

⁶Ibid.

⁷Texas Employment Commission, "Labor Force Estimates for Texas Counties--October Final 1978," Austin, Texas, 1978.

⁸The University of Texas at Austin, Texas Industrial Expansion, pp. 5-7.

⁹Texas Employment Commission, "Labor Force," October 1978.

¹⁰U.S. Department of Commerce, Bureau of the Census, General Social and Economic Characteristics, 1970 Census of Population, p. 439.

¹¹Jerry Heare, Texas Industrial Commission, telephone interview held on the Texas Rural Industrial Loan Fund, Austin, Texas, January, 1979.

¹²Ibid.

¹³Ibid.

¹⁴Civil Aeronautics Board and Federal Aviation Administration, Airport Activity Statistics of the Certified Route Carriers, December, 1975, pp. 89-94.

¹⁵Ibid.

¹⁶U.S. Department of Transportation, "Discontinuance Criteria for Airport Traffic Control Towers," Federal Register, Vol. 42, No. 170, September 1, 1977, pp. 44062-44065.

¹⁷Jack T. Lamkin, Staff Report to the Council for South Texas Economic Progress, Texas Transportation Institute, June, 1975, p. 119.

¹⁸Texas Railroad Commission, Case AB-12 (Sub. no. 20) of Interstate Commerce Commission, March, 1978.

¹⁹Larry White, Council for South Texas Economic Progress, telephone conversation, McAllen, January, 1976.

²⁰Bureau of National Affairs, Inc., Housing and Development Reporter, Washington, D.C., (HDR RF-64), June 28, 1976, p. 7.

²¹Texas Department of Community Affairs, Housing Division, unpublished data and materials, Austin, Texas, 1977.

²²Texas Department of Community Affairs, interview with Jim LeGrotte, Austin, Texas, January, 1979.

²³Texas Department of Community Affairs, unpublished material on the HUD 701 Program, Austin, Texas, November, 1978.

²⁴U.S. Department of Commerce, Economic Development Administration, "EDA Grants for Public Works and Development Facilities," (Washington, D.C., 1976), pp. 2-8.

²⁵Office of the Governor, Budget and Planning Office, unpublished data on Local Public Works, Austin, Texas, June, 1978.

²⁶Office of the Governor, Budget and Planning Office, telephone interview with Don Harley, January, 1979.

²⁷Texas Department of Community Affairs, Housing Division, The Rural Housing Coordinator's Guide, (Austin, Texas, 1976), pp. 433-439.

²⁸Greater South Texas Cultural Basin Commission, Strategies For Economic Growth, Vol. II, prepared by Industrial Economics Research Division, Texas A&M University, Austin, Texas, April, 1977, pp. 124-128.

²⁹Sam Schulman, J. Earl Williams, et. al., Mexican American Youth and Vocational Education in Texas (Houston, Texas: Center for Human Resources, University of Houston, 1974), pp. 20-21.

³⁰Ibid.

³¹Texas Education Agency, unpublished information on drop-outs prevention projects funded under Title IV, Part C, of the Elementary and Secondary Education Act, Austin, Texas, January, 1978.

³²Corpus Christi Independent School District, pamphlet on the Alternative Education Center in Corpus Christi, Corpus Christi, Texas, February, 1978.

³³Jimmie L. Todd, telephone interview held on Corpus Christi's Alternative Education Center, Austin, Texas, March 9, 1978.

ECONOMIC DEVELOPMENT



ECONOMIC DEVELOPMENT

In order to improve the quality of life of South Texans on a long-range basis, it is necessary to help them become more self-supporting. South Texans must have jobs. To this end, the Greater South Texas Cultural Basin (GSTCB) Commission has sought to identify barriers to the economic development of the Basin and to recommend corrective actions.

In June, 1978, the GSTCB Commissioners unanimously approved a development grant proposal seeking \$2.75 million for the 1980-81 biennium. The Commissioners felt this development grant would enable the GSTCB Commission to accomplish many of the economic development goals and objectives set forth in Developing South Texas: A Report to the Governor and Legislature published in March, 1977. In July, 1978, the GSTCB Commission's Economic Development Committee also agreed that a development grant appropriation would help accomplish many of the economic development goals and objectives developed through the GSTCB Commission's planning process. In August, 1978, the development grant proposal was discussed with Governor Briscoe. The Governor received the proposal favorably and included the development grant request in his budget for the 1980-81 biennium. Thus, the development grant proposal forms a cornerstone of the GSTCB Commission's economic development program. (See Development Grant Proposal Chapter for more details.)

The recommendations that follow focus on developing those resources that will not be fully addressed by use of a development grant fund. The continued development of capital resources, community development, natural resources, marketing, and transportation will have a great impact on recruiting new industries to the Basin and increasing job opportunities. The development of the labor force through education and skills training is addressed in another chapter, Human Resource Development.

CAPITAL RESOURCES

Communities in the Greater South Texas Cultural Basin report insufficient financial resources to develop housing, businesses, tourism, industries, and natural resources. There is a need to increase funding from each of three sources--federal, state, and private. Each source will be discussed and recommendations will be made to increase the funds available to communities in the Basin.

1. Federal Funding Resources in the Basin. The injection of federal capital into a developing area can make the difference between a weak, marginal economy and one suited for development and growth. Typically, the economy of a developing area is based on agriculture, raw material exportation, infant industry, and low educational attainment of the labor force. South Texas by all of these measures is a "developing area." Its primary exports are raw materials and agricultural products and its industry is "infant industry," or consists of satellites of large companies headquartered elsewhere. The Basin is predominantly rural, and in the areas of employment, education, and housing, compares unfavorably with the rest of Texas.¹ (See also Tables 7, 11, and 15 in Appendix B.) Thus, there is a pressing need for federal and state attention to particular Basin problems with a view of the area as a "developing region."

National and state attention to this area has focused mainly on political issues, such as farmworkers' marches, school walkouts, and trials involving local politicians. Economic attention has been inadequate. In 1975, the Basin, with 17.9 percent of the State's population, received 20.9 percent of all federal funds allocated to Texas.² Although this seems to represent an equitable share, the area's needs are more severe than other parts of Texas. The distribution of funds on a basis proportional to the population will do no more than maintain the status quo. The conditions in South Texas require that funds be more nearly equal to the need. However, federal funds to the region for housing and water and sewer projects--two areas indispensable to development--amounted to only 8.95 percent and 6.5 percent, respectively, of the funds spent in Texas.³ The Basin only received 12.5 percent of federal manpower funds allocated to Texas by the federal government for all programs.⁴

2. State Funding Resources in the Basin. The Greater South Texas Cultural Basin needs additional support from the State for economic development programs. The nonrenewable energy reserves of the Basin, such as oil and gas, are being depleted at an alarming rate. In 1970, for every unit produced there were 8.8 units of known reserves; by 1975, the known reserves had dropped to 5.1 units for every unit produced. Eventually, this depletion will exhaust reserves, causing the Basin to lose a major source of revenue. State and other funds are needed to create a new economic base capable of replacing the tax base presently supported by mineral extraction.

The State can help make available the capital needed for Basin development by allocating more monies to the Texas Rural Industrial Loan Fund administered by the Texas Industrial Commission (TIC). This fund was established by the Legislature in 1971 to meet a need in rural areas for long-term mortgage money for land and buildings. Its low interest rates provide an incentive to manufacturers to locate in rural areas. In 1973, the Legislature appropriated \$600,000 for the Texas Rural Industrial Loan Fund and allowed all loan repayments plus interest to go back to the fund for reloaning. Six loans were made statewide, creating 997 new jobs.⁵ The industries financed are paying a total of \$194,150 in state taxes annually; the total payroll was \$5,467,000. One loan, for \$160,000 has been made in South Texas. This loan, in Alice, Texas, created an annual payroll of \$1,000,000 and 215 new jobs, as well as \$40,000 in state taxes. Neither the 64th nor the 65th Legislature appropriated additional funds for the Rural Industrial Loan Fund. Repayments of loans and interest have permitted two additional loans to be made, neither of which was in the Basin.⁶

Recently, Governor Briscoe made available \$300,000 from his Budget and Planning Office to the TIC for rural industrial loans in the Basin. These funds will enable several new loans to be made which will generate new jobs and state and local taxes.

The law permits the TIC through the Rural Industrial Loan Fund to participate with up to 40 percent of the total project cost of land, building, and fixed assets. To qualify for participation in the fund, 10 percent of the project cost must be contributed by a non-profit local development corporation. These corporations are usually chartered as industrial foundations whose membership is composed of community leaders. The remaining 50 percent of the project cost is normally loaned by local lending institutions. In some cases, where local lenders reach their loan limit, other private or public financing can be combined to develop the total package. In 1975 the average participation by TIC was 22.7 percent. Thus, for each \$1 the state has loaned, \$4.75 has been loaned or invested by other sources.⁷

The fund has generated jobs and new local and state taxes. It supports private enterprise by participating with local banks, industrial foundations, and new business ventures to create new jobs. By increasing the statewide fund to \$5 million, more monies should be available for use in the Basin, and new industries will move in and create the greatly needed job opportunities in the most underdeveloped area of Texas.

The GSTCB Commission believes this program to be vital to successful economic development in South Texas. One million dollars of the Commission's \$2.75 million development grant fund would be directed to the Rural Industrial Loan Fund to be spent in the forty-county Basin (See Development Grant Proposal Chapter).

Recommendation:

- THE LEGISLATURE SHOULD APPROPRIATE \$5 MILLION TO THE TEXAS RURAL INDUSTRIAL LOAN FUND ADMINISTERED BY THE TEXAS INDUSTRIAL COMMISSION.

3. Private Financial Resources for the Basin. The development of an infrastructure capable of supporting continued growth for the Greater South Texas Cultural Basin depends in large part on the ability of financial institutions to provide a supply of money to local entrepreneurs and to attract promising business activities searching for venture capital. A survey on the availability of funds revealed that the total deposits for all banks within the Basin as of December 31, 1975, amounted to \$5.6 billion. Only \$3 billion of these funds had been made available for loans by the banks. In contrast, the total banking system of Texas, including the Basin banks, generated a total of \$62.9 billion in deposits of which \$36.5 billion were loaned. The loans by Basin banks represent 8.23 percent of the loans made by all Texas banks during that year. The deposits in Basin banks represent only 8.97 percent of the total deposits in all Texas banks during that year.⁸ Since the Basin supports 17.9 percent of the total Texas population,⁹ the comparatively low deposits indicate the need for additional money in the Basin.

Several mechanisms to create these additional monies need to be initiated and pursued. One is the formation of Small Business Investment Corporations (SBICs) and Minority Enterprise Small Business Investment Corporations (MESBICs) licensed by the Small Business Administration (SBA). SBICs and MESBICs supply venture capital and long-term financing to new and existing firms for expansion, modernization, and operations. They also provide management assistance.

SBICs must operate within SBA regulations, but their transactions with small companies are private arrangements and have no connection with SBA. SBA may make loans or guarantee 100 percent of the loans of private lending institutions to SBICs to add to their funds for financing new ventures. Such loans may be subordinated with up to fifteen-year terms. The maximum loan to a SBIC is \$35 million, or three times the SBIC's private paid-in capital. SBICs are owned and operated by established industrial or financial concerns, community or business-oriented economic development organizations, and private investors.¹⁰

A Minority Enterprise Small Business Investment Corporation (MESBIC) operates under the same rules and regulations as a SBIC. However, there are some differences. MESBIC loans may only go to firms where there is pronounced and substantial minority involvement. Also, MESBICs may invest up to 30 percent of operating capital in one firm, while SBICs may only invest 20 percent. MESBIC loans generally are first-stage investments involving venture capital or the purchase of a substantial amount of equity in the firm; in other words, the SBA shares in the firm are greater. The firm can defer payment of the 3 percent interest on the loan for up to 5 years. In this way, the firm can "leverage" a greater amount of SBA capital.¹¹

If all or most banks in the Basin could be interested in the development of a SBIC or MESBIC, this could result in more funds for private ventures. In turn, this venture capital would generate increased bank deposits. The resulting multiplier effect will attract badly needed private investment.

Another means of encouraging direct private investment in the Basin is to provide incentives through state-level industrial financing. The availability of industrial revenue bonds is an effective mechanism to provide these incentives. The industrial revenue bond allows a city, county, or conservation and reclamation district to issue tax free bonds to develop land, buildings, equipment and facilities required for industrial development or medical facilities. The interest rate on the tax exempt bond is significantly lower than that charged for comparable corporate bonds, and the bondholders pay no federal income tax on their interest income.

Under this program, a city, for example, can issue bonds for 100 percent of the cost of a project. The project, when constructed, is leased to a non-profit industrial corporation, specially formed to serve as the "lessee." The corporation, in turn, subleases the plant to an industry. Final agreement regarding the provisions of the lease, the term of the bond, and other details are negotiated among the industry, the local industrial corporation, and the issuing city.

The Texas Constitution (Article 3, Section 52a) currently prohibits a political subdivision from lending its credit or granting public money or aid to individuals, associations, or corporations. Article 5190.1, VTCS, passed in 1971, does allow a political subdivision to issue revenue bonds for specific purposes such as construction and maintenance of lakes, reservoirs, dams, roads, and turnpikes. But a constitutional amendment will be necessary in order for a political subdivision to issue revenue bonds for industrial and rural development purposes. In November, 1978, a proposed constitutional amendment to enable the issuance of such revenue bonds was rejected by the voters in the wake of a tax revolt movement.

Authorization of industrial revenue bonds is significant to the industrial development of South Texas. Eighty percent of the industries in Texas lease rather than own their buildings.¹² Competition in providing a facility at the least cost has caused most states to enact legislation allowing their political subdivisions to issue bonds for this purpose. Presently 46 states, including New Mexico, Oklahoma, Arkansas, and Louisiana, allow industrial revenue bond exemptions. If South Texas is to be competitive with these neighboring states in attracting new industry, a strong case can be made that Texas should authorize the issuance of industrial revenue bonds.

Another method of increasing capital in the Basin is through the use of state funds deposited in Basin banks. Presently, the State Depository Board pro-rates the share of its deposits according to bank size among approximately 1400 banks throughout the State. Every two years, all Texas banks are invited to submit bids for acquiring state deposits. By mandate, no bank can receive state deposits in an amount exceeding the bank's paid up capital stock and permanent surplus. To qualify for state deposits, a bank must furnish a depository bond signed by a state approved surety company in an amount equal to not less than double the amount of state funds

allotted, or they may pledge any securities guaranteed by the federal or state government in an amount not less than 5 percent greater than the amount of state funds which they secure.¹³ These requirements place undue burdens on small banks in underdeveloped areas and should be revised to allow more of these banks to qualify for state deposits. The deposit of state funds in Basin banks at terms favorable to the banks will increase the availability of capital.

Recommendation:

- THE GSTCB COMMISSION SHOULD SUPPORT THE EFFORTS OF THE TEXAS INDUSTRIAL COMMISSION'S DIVISION OF MINORITY BUSINESS ENTERPRISE TO HELP ESTABLISH SMALL BUSINESS INVESTMENT CORPORATIONS AND MINORITY ENTERPRISE SMALL BUSINESS INVESTMENT CORPORATIONS IN THE BASIN.

FOOTNOTES

¹U.S. Department of Commerce, Bureau of the Census, General Social and Economic Characteristics, 1970 Census of Population, PC(1)-C45, (Washington, D.C.: U.S. Government Printing Office), pp. 928-949.

²Community Services Administration, Federal Outlays in Texas, Fiscal Year 1976, (Washington, D.C.: U.S. Government Printing Office), statistical analysis based on "State Summary by Federal Agency Operations," p. 6., and "County Summary by Federal Agency Operations," pp. 1-255.

³Ibid.

⁴Ibid.

⁵Jerry Heare, Texas Industrial Commission, telephone interview held on the Texas Rural Industrial Loan Fund, Austin, Texas, January, 1979.

⁶Ibid.

⁷Ibid.

⁸Southwestern Bank Directory, Spring 1976, edited and published by William L. Moseley, Southwestern Banking Publishers, Fort Worth, Texas, 1976.

⁹U.S. Department of Commerce, 1970 Census, pp. 928-949.

¹⁰Select Committee on Small Business, U.S. Senate, Small Business Investment Act, October 1, 1974.

¹¹Ralph DeAnda, Texas Industrial Commission, telephone interview on MESBICs, Austin, Texas, January, 1979.

¹²Louis E. Campbell, Financing Industrial Facilities, Economic Series Number 10-75, (Austin, Texas: Texas Industrial Commission, 1975), p. 1.

¹³Depositories, Vernon's Texas Civil Statutes, Article 2529.

COMMUNITY DEVELOPMENT

Community development is integral to attracting new industry and to expanding existing industry in the Basin. Every community has an "infrastructure"--a foundation of basic services and facilities for its population, such as schools, utilities, medical facilities, housing, and streets. Community development projects can assist communities in improving and expanding this infrastructure. The availability and adequacy of water and sewer systems, as well as other utility systems, determine in large part the ability to develop and use land for residential, commercial, or industrial growth. Therefore, improvement of a community's infrastructure enhances the locale and makes it more competitive with other regions for attracting new business and trade.

The availability of funds to initiate and complete community development projects is the principal element of concern. Community development block grants from the U.S. Department of Housing and Urban Development (HUD) and public work grants from the Economic Development Administration (EDA) are basic sources of funds for community development projects include the Farmers Home Administration (FmHA) of the U.S. Department of Agriculture, and the Texas Department of Water Resources (TDWR), which administers grant funds from the U.S. Environmental Protection Agency.

The GSTCB Commission's development grant fund will enable the Commission to accomplish many of its community development goals and objectives. Most of the \$800,000 budgeted for community development will be used to match existing state and federal grant programs (see Development Grant Chapter).

This section examines two areas--economic adjustment strategies and military installations--which warrant attention but do not fall within the scope of the GSTCB Commission's development grant fund.

1. Economic Adjustment Strategies. The Economic Development Administration (EDA) awarded a grant to the Greater South Texas Cultural Basin (GSTCB) Commission in 1976 to analyze the economic problems facing South Texas and to develop an economic development and adjustment program to alleviate these problems in the Basin. The GSTCB Commission contracted with the Industrial Economics Research Division of Texas A&M University to conduct the study. The economic adjustment problems in the Greater South Texas Cultural Basin identified in the study are presented below.

Several counties in the Basin were found to have severe economic problems. Each had an increase in unemployment rates over a four-year period. Economic adjustment problems were identified in the counties of Bexar, Cameron, Nueces, San Patricio, Starr, and Webb.

Plant closings, plant layoffs, and other reductions-in-force occurred in a number of the sectors that provided significant employment opportunities and income for persons living in the Basin. This current situation, plus the existing low median income and high unemployment rates, has had a major adverse impact on the economy of the Basin.

Many firms in the Basin laid off members and experienced a sharp loss in revenue in 1975. Over \$133 million in lost revenue was reported by firms considered in this report. Other firms not reporting a revenue loss did in fact

lose substantial revenue, but did not want their losses reported. Table 10 in Appendix B groups the key Basin industries by product or service which have experienced plant closings, layoffs, or reductions-in-force and summarizes the income and employment impact within the Basin.

To summarize, the impact of the plant closures, plant layoffs, and other reductions-in-force was estimated to have had a significant effect on the economy of the Basin. The total effect was less visible or pronounced because most of the economic problems occurred in three major metropolitan areas, the San Antonio SMSA, Brownsville-Harlingen-San Benito SMSA, and the Corpus Christi SMSA. (The Laredo SMSA is mentioned also.) Regardless of the location of the economic problems, a significant number of jobs and people were estimated to have been affected. It is estimated that approximately \$85 million in direct household income was lost and 11,443 people were without jobs in 1975. The total impact was estimated to have been approximately \$136 million in income and over 21,000 jobs.

The problems communities are facing were taken up by several task forces whose purpose was to define strategies that would offset the existing or anticipated economic adjustment problems. Input was gathered from a wide variety of sources and developed by political and other community leaders.

The total economic development strategies resulted in identification of projects totaling over \$184 million for the communities studied. The communities studied represent a good cross section of the communities in the Basin. Based on this identified need, and without availability of similar studies for the rest of the Basin communities, it is estimated that the needs of the total number of Basin communities are many times greater than the \$184 million identified.²

Many of these community projects may be eligible for funding under Title IX of the Public Works and Economic Development Act of 1965, as amended. The purpose of Title IX is to provide assistance to communities experiencing severe economic problems, such as high unemployment, resulting from plant closings, plant layoffs, and other reductions in the labor force by industry or government. Since these communities are eligible for federal assistance under Title IX of the Act, they should actively pursue the funding of these projects from the Economic Development Administration.

Recommendation:

- . THE ECONOMIC DEVELOPMENT ADMINISTRATION OF THE U.S. DEPARTMENT OF COMMERCE SHOULD GIVE SPECIAL CONSIDERATION TO TITLE IX PROJECTS SUBMITTED BY COMMUNITIES IN THE BASIN.

2. Military Installations. Spending by military installations in South Texas is an important factor in the overall economy. Since 1968, several Texas bases have been among approximately 1,400 to be closed, resulting in severe economic problems in some communities. A definite correlation exists between base cutbacks or closures and the economic stability of a community. In fact, due to the location of the communities with military installations and the location of the trade centers in South Texas, it is likely that the impact of military spending is felt throughout the Basin. A 1976 study conducted by Texas A&M University for the Greater South Texas Cultural Basin Commission

determined that the military installations in Beeville, Corpus Christi, Del Rio, Kingsville, and San Antonio employ 90,375 individuals--50,221 military personnel and 40,154 civilians. Wages paid by South Texas military installations totaled over \$1.2 billion, of which approximately \$512 million was paid to military personnel and over \$515 million to civilians. In addition, military retirement pay in South Texas totaled over \$211.7 million during 1975.³

Due to the significant impact military installations have on the economy of local communities, there is a need for a formal notification period of intended base cutbacks or closures. This time period is critical for a community to formulate and implement an economic adjustment strategy to soften the economic impact of reduced military spending in the area.

Currently, the military is required under the National Environmental Policy Act to issue an environmental impact statement (EIS) for public review on proposed base closings.⁴ These statements must outline significant impacts on the physical and the socio-economic environment resulting from any intended base realignment. Initially, the military must announce to all appropriate federal, state, and local governmental units that a particular base is a candidate for cutback or closure. An internal EIS is then developed. A draft EIS is usually published 180 days after this internal review is completed; a final EIS is released 90 days afterward.

It is in this final EIS that the military formally announces its intent to cut back or close a military installation. Only after the publication of this document does the affected community know with certainty the intentions of the military. A period of 90 days is required after the final EIS is released before the military may proceed with base cutback or closure. Thus, the total time involved from the initial proceedings to the actual withdrawal is approximately one year; however, the period of formal notification of base cutback or closure given to the community is 90 days.

Recommendation:

- . CONGRESS SHOULD ENACT NEW LEGISLATION GOVERNING FORMAL MILITARY NOTIFICATION TO AFFECTED COMMUNITIES OF INTENDED BASE REALIGNMENT BY REQUIRING THE MILITARY TO ALLOW A MINIMUM OF TWO YEARS AFTER THE FINAL DECISION HAS BEEN MADE TO CUT BACK OR CLOSE A MILITARY INSTALLATION. THE LEGISLATION SHOULD INCLUDE A PHASEDOWN PLAN FOR MILITARY CUTBACKS OR CLOSINGS.

FOOTNOTES

¹Industrial Economics Research Division, Texas A&M University, Greater South Texas Cultural Basin - Strategies for Economic Growth, Volume II, Part B (College Station, Texas, 1977), p. 5.

²Industrial Economics Research Division, Strategies for Economic Growth, Volume II, p. 123-128

³Industrial Economics Research Division, Texas A&M University, Greater South Texas Cultural Basin - Strategies for Economic Growth, Volume III, Part C (College Station, Texas, 1977).

⁴National Environmental Policy Act of 1969, Chapter 55, Section 4333, United States Code, 1970 Edition Title 42 - The Public Health and Welfare.

NATURAL RESOURCES

Natural resources are a vital part of the Greater South Texas Cultural Basin. Oil, gas, and water exert a major influence on the growth and development of this area. But these natural resources are being depleted. Information from the Texas Department of Water Resources (TDWR) suggests that most of the available water sources in South Texas have been developed to their full potential. At the current rates of use, the demand placed on these sources will exceed supplies by the year 2000.¹ A comparison of known oil and gas reserves in the Basin for 1970 and 1975 reflected a rapid depletion rate.²

The development of alternative energy and water supply sources becomes a critical need as our natural resources are depleted. Conservation measures are also needed to retard depletion. An "Energy Education Framework" is being developed jointly by the Texas Education Agency and the Governor's Office of Energy Resources. This Framework will be a guide to teachers of all subjects in grades 1-12 and will show them how to incorporate conservation information into their specific subject area (i.e. English, mathematics, history).³ The Framework is currently being tested in five schools (none in the Basin) and a refined model should be ready by Fall 1979.⁴ This approach can help alleviate the problem of rapidly declining resources.

The feasibility of geopressed, geothermal energy is also being investigated. The Bureau of Economic Geology, University of Texas at Austin is currently drilling a test well in Brazoria County. The Armstrong Fairway, located in Kenedy County, appears to be the best Basin site and may be developed in the next several years.⁵ Thus, this potential source of energy may be important to Basin development in the near future.

The development and conservation of water resources and the research and development of guayule production were areas that the GSTCB Commission felt would make the greatest, short-term impact on natural resource development in the Basin.

1. Water Supply Alternatives. In 1974, the total amount of water required for all uses (municipal, manufacturing, irrigation, livestock, and mining) in the forty-county Basin was 2,223,200 acre-feet. The total surface and ground water supplies available to meet these requirements amounted to an estimated 2,686,000 acre-feet in 1974, resulting in a surplus of water supplies of 462,000 acre-feet for the entire Basin.⁶ However, this supply total represents only the physical quantity of water available for use in the area, irrespective of considerations of water rights. There are other institutional constraints and geographic locations within the region which would impinge upon the ability of specific supply sources to be realistically matched with specific water demands.

In the year 2000, water supplies in the Basin are projected to reach 3,193,000 acre-feet annually. This total includes the estimated annual yield of ground water aquifers, together with existing and potential surface water projects to serve the area. Assuming these potential projects are fully developed, these figures should hold. On the other hand, the total amount of water requirements for all uses is projected to be 3,451,300 acre-feet for the forty-county area in the year 2000. If this apparent shortage is to be avoided, it will be necessary to fully develop all of the area's potential

reservoir sites and provide for the importation of more water from other sources by the end of this century. These projections have not included the area's water requirements for an irrigation project which would open up two million acres for agricultural production and could increase the Basin's income by more than \$1 billion per year.⁷

GREATER SOUTH TEXAS CULTURAL BASIN
TOTAL WATER REQUIREMENTS BY TYPE OF DEMAND
(ACRE-FEET)

<u>Type of Demand</u>	<u>1974</u>	<u>2000</u>
Municipal	342,946	731,566
Manufacturing	74,286	106,525
Irrigation	1,751,277	2,543,389
Livestock	44,759	56,642
Mining	9,936	13,177
TOTAL	2,223,204	3,451,299

SOURCE: Texas Department of Water Resources, 1974.

Supplementary water for industrial, commercial, and agricultural use is necessary to maintain the Basin's current level of growth and productivity. Another dimension to this need is added when population projections for the forty-county area are reviewed. According to projections by the TDWR, the population will jump from 1,958,909 in 1970 to 2,952,200 in 2000, doubling municipal water needs as reflected in the chart above.⁸

Thus, provision of new water supplies for the Basin is directed at two goals: (a) importation of water for municipal, industrial, and agricultural purposes to maintain the current level of growth; and (b) determination of the feasibility of new irrigation throughout South Texas.

Having stressed the need for water for industrial growth, it is useful to recognize the importance of agriculture to the Basin. Preliminary estimates indicate that some two million acres merit detailed consideration with respect to development of new surface water irrigation projects. Water requirements to satisfy such goals could total approximately four million acre-feet per year.⁹ Given the importation of water, the area has great potential as a major food-producing area. In addition to the more than a \$1 billion increase in the area's income, the result would be the creation of 47,000 new jobs for the Basin and its development into a highly productive region. In an underfed world with a growing population, the region's potential as a food-producing region takes on added significance.¹⁰

The Texas Water Development Board, now an agency within the newly-created Texas Department of Water Resources, has conducted public information forums across the State in the past. These forums were closely associated with the proposed Constitutional amendment put before the voters in November, 1977, to increase the State's capability to provide financial assistance to local governmental entities for water resource projects. A viable program designed

to inform and educate the public on critical water resource problems and needs should be continued by the new Texas Department of Water Resources.

In November, 1977, Texas voters defeated a proposed Constitutional Amendment which would have authorized issuance of an additional \$400 million of Texas Water Development Funds for water development and related purposes. Presently, about \$161 million of unobligated funds remain in the Texas Water Development Fund which, at the current rate of use, would be exhausted within 2 to 4 years.¹¹

In addition to the urgent need for these funds for local, non-federal water resource projects and related facilities, the Carter Administration will submit legislation to the next session of Congress which provides for mandatory new "front-end" cost sharing of federal water projects by state and/or local governments. If approved by Congress, this requirement would provide for an initial cash contribution by state interests of up to 10 percent of the total construction cost of each federal water project.¹²

The Legislature should develop means for gaining public support for continued financing of needed water resource projects. Additionally, should presidential initiatives concerning front-end cost sharing be approved by Congress, the Legislature must seek ways of assuring that necessary front-end project financing will be available for new federal water projects.

Recommendations:

- . THE TEXAS DEPARTMENT OF WATER RESOURCES (TDWR) SHOULD CONTINUE A STATEWIDE PROGRAM TO EDUCATE CITIZENS ON THE CRITICAL WATER NEEDS OF THEIR REGION AND STATE. THE LEGISLATURE SHOULD ASSURE ADEQUATE FUNDING FOR SUCH A PROGRAM, AND THE GSTCB COMMISSION SHOULD ASSIST THE TDWR IN THE PROGRAM.
- . THE LEGISLATURE SHOULD IDENTIFY METHODS OF GAINING PUBLIC SUPPORT FOR FINANCING WATER DEVELOPMENT IN TEXAS.

2. Guayule. Several plants native to Texas and Mexico have significant potential for commercial production. Research and development of yields and domestication is currently underway for the following plants:

- . Jojoba bean--yields a lubricant identical in quality to costly sperm oil;
- . Crambe--yields an oil used to make nylon or as a replacement for imported rapeseed oil in food industry processes;
- . Winged bean--highly nutritious tropical plant edible by humans or livestock;
- . Leucaena--fast-growing tropical tree that is a potential source of forage, fuel, timber, and fertilizer; and
- . Guayule--desert bush that produces a high-quality natural rubber.¹³

Of these plants, the guayule (native latex) has been given the most recent attention. Natural latex rubber is of vital importance to the economy of the United States. Currently the U.S. purchases approximately one million tons of natural (Hevea) rubber a year. The guayule plant is native to Texas and Mexico and could provide a substitute natural rubber. However, further research into the yield of native latex (guayule) must be conducted before commercialization will be feasible. Research is presently being conducted by Texas A&M University, Goodyear, Uniroyal, B.F. Goodrich, and by Firestone, which plans a large-scale planting of the shrub near Fort Stockton.¹⁴

The Congress recently enacted P.L. 95-592 (see Congressional Record, October 13, 1978, pages H13353-H13355), which authorized extensive research into guayule commercialization.¹⁵ But Congress has yet to appropriate any of the \$30 million authorized for a four-year period. Five million dollars was authorized for the first year of research, development, and demonstration.

Recommendation:

- . CONGRESS SHOULD APPROPRIATE \$30 MILLION OVER A FOUR-YEAR PERIOD TO IMPLEMENT PUBLIC LAW 95-592, WHICH ESTABLISHES A RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM OF GUAYULE RUBBER PRODUCTION AND MANUFACTURE AS AN ECONOMIC DEVELOPMENT OPPORTUNITY FOR THE SOUTHWEST.

FOOTNOTES

¹Texas Department of Water Resources, unpublished data and materials, Austin, Texas, 1977.

²American Gas Association, American Petroleum Institute, and Canadian Petroleum Association, Reserves of Crude Oil, Natural Gas Liquids and Natural Gas in the United States and Canada and United States Productive Capacity as of December 31, 1974, Vol. 29, May 1975, pp. 55-68, 151-154, and 211 and 212.

³Chris Roitsch, Governor's Office of Energy Resources, telephone interview, Austin, Texas, December, 1978.

⁴Dr. Ira Nell Turman, Texas Education Agency, telephone interview, Austin, Texas, December, 1978.

⁵Dr. Don Bebout, Bureau of Economic Geology, University of Texas at Austin, interview, Austin, Texas, December, 1978.

⁶Texas Department of Water Resources, unpublished data, 1977.

⁷Texas Department of Water Resources, unpublished materials, Austin, Texas, 1974.

⁸Ibid.

⁹Texas Water Development Board, Water for Texas, Austin, Texas, September, 1974, p. 1.

¹⁰Texas Department of Water Resources, unpublished materials, 1974.

¹¹Charles Nemir, Texas Department of Water Resources, interview, Austin, Texas, December, 1978.

¹²Ibid.

¹³"Stalking the Wild Cash Crop," Business Week, November 6, 1978, pp. 211-214.

¹⁴Ibid.

¹⁵U.S. Congress, House, Native Latex Commercialization Act of 1978, S. 1816, 95th Cong., 2nd sess., 1978.

MARKETING

The marketing objectives of South Texas are to emphasize the area's resources and desirability in order to attract new industry and increase tourism, and to insure that methods of producing needed income remain viable. The important task of industrial promotion and attraction is to be partially accomplished with the GSTCB Commission's development grant fund (see Development Grant Proposal Chapter). This section presents recommendations to increase tourism, support the "twin-plant" concept, and expand international trade.

1. Tourism Development. The Basin, more than any other region of the State, is endowed with a variety of attractions for recreational opportunities. At least five groups of activities can be identified. The Basin has facilities to serve the convention trade, with both San Antonio and Corpus Christi having accommodations to handle large groups. The Gulf Coast with its beaches, fishing, and water sports provides opportunities for attracting a second group. There are historical towns, border towns, fiestas, town celebrations, and parks and sceneries that will attract yet another type of tourist. The economical cost of living attracts the winter visitor who spends one-third of the year in the area. And lastly, the transient tourist on his way to Mexico usually spends a day or two along the border towns prior to his entry into Mexico.

Although the recreational opportunities are there, insufficient emphasis has been given to promoting the Basin. The Texas Tourist Development Agency (TTDA) has been spending about \$480,000 in overall marketing development,¹ which presumably influenced the 3,722,000 visitors to the State in 1975. However, only 12 percent of all tourists counted by the Texas Department of Highways and Public Transportation visited the Basin; moreover, only 3 percent reached Brownsville and only 1 percent reached Laredo.² These low figures show a pressing need to find a new approach to attract tourists to the Basin. The TTDA needs its funding level for tourism advertising increased, which would help attract more tourists to Texas and the Basin.

Tourism advertisements will attract people to an area. Tourists, in turn, will spend money in that area. For instance, in 1975 the TTDA spent \$300,000 in advertising; visitors to Texas spent a total of \$652.6 million that year. Thus, media advertising in that year resulted in a \$39 to \$1 return-on-investment.³

Recent developments have created additional opportunities to attract tourists to South Texas. In September, 1976, Mexico devalued the peso by approximately 50 percent. In addition, a recent decision by the Federal Aviation Administration has made possible low fare flights from Dallas to the Rio Grande Valley through San Antonio. These two events lend themselves to create a low fare package to visit South Texas and the Mexico border. A series of packaged tours need to be developed and marketed through tourism bureaus in the State. Large cities in Texas, such as Dallas and Houston, could be prime targets for a "see Texas first" campaign with the Basin as the focal point. This marketing effort should be concentrated at international ports of entry to the United States and in trade journals.

A 1976 study done for the TTDA by the University of Texas Bureau of Business Research found that 54.4 percent of all respondents to ads actually visited Texas in the same calendar year in which the ads were published.

Over 31,000 people responded to these ads; these persons may be considered heads of visitor parties.⁴

The Texas Department of Highways and Public Transportation estimated that in 1975 the average visitor party spent \$373.92 during its Texas stay. Multiplying this \$373.92 by the actual 31,089 visitor parties produced by the Texas Tourist Development Agency ads, Texas enjoyed over \$11.6 million in tourist receipts as a result of the advertising. Unfortunately, it is estimated that only \$1.4 million reached the Basin.⁵

The TTDA had a budget of \$1.6 million during the 1978-79 biennium. They are requesting \$3.6 million for the 1980-81 biennium. The additional \$2 million requested is needed to continue all activities at their current level (\$0.6 million) and to begin advertising on television (\$1.4 million). The T.V. ads will "air" in 11 metropolitan markets outside of Texas but within a day's drive of the State.⁶

TTDA currently spends \$400,000 on advertising. Competition from other states means Texas must keep pace to retain its share of the national market. (For instance, the State of New York has budgeted \$7 million for advertising and the State of Florida has budgeted \$1 million.)⁷

In addition to the need for keeping up with the competition, the TTDA is one of the few revenue-generating state programs. Currently, there is \$2.13 in state taxes paid by visitors for every dollar of tax money invested in the TTDA.⁸

In order to attract tourists to the Basin, financial sources are needed to develop and maintain public recreational facilities. Most Texas cities charge a 4 percent "room tax" for tourism development. However, only incorporated cities have the legislative authority to levy this tax. With the development of suburbs and the location of hotels and motels in the outskirts of cities, much of this revenue is lost for lack of authority. If such tax levying power could be extended to the county government, revenues to develop local tourism attractions and promotion could be increased.

Recommendations:

- . THE LEGISLATURE SHOULD APPROPRIATE \$3.6 MILLION TO THE TEXAS TOURISM DEVELOPMENT AGENCY FOR THE 1980-81 BIENNIUM.
- . THE TEXAS TOURIST DEVELOPMENT AGENCY WITH THE GSTCB COMMISSION SHOULD DEVELOP PACKAGE TOURS FOR SOUTH TEXAS TO BE OFFERED TO TRAVEL BUREAUS. THIS PACKAGE SHOULD UTILIZE AS MANY TEXAS-BASED TRANSPORTATION MODES AS POSSIBLE.
- . THE LEGISLATURE SHOULD PASS ENABLING LEGISLATION ALLOWING EXPANSION OF THE CITY "ROOM TAX" TO ALLOW COUNTIES TO COLLECT THE TAX IN UNINCORPORATED AREAS ON AN OPTIONAL BASIS.

2. International Trade. Since 1975, the comparative advantage of low wages in Mexico has been lost to countries such as Korea, Taiwan, and El Salvador.⁹ This situation has left twin-plants in the Basin idle, since the corresponding Mexican plants have closed as a result of this competition.

In April, 1975, more than 30 plants had closed on the Mexican side and 60 more had made substantial layoffs; employment had dropped from 80,000 reported in 1974 to 45,000 in 1975.¹⁰ Studies have shown that there is a direct relationship between U.S. exports along the border and employment in the border cities.¹¹ The layoffs undoubtedly have decreased the sale of American goods to Mexicans.¹¹

The "twin plants" concept is a program whereby a free-trade zone was established by Mexico that extends 12.5 miles in from the border along its entire 1,800 mile length. The United States enters the picture via its tariff policies. Sections 806.30 and 807 of the tariff code of the U.S. Customs Regulations require that import duties need only be assessed by the "value added" to products assembled from component parts originally made in the United States that are exported to a foreign country and imported back into the United States (U.S.). In the present case, it is the assembly process that is done in Mexico. As a rule, it is essentially wages that represent the "value added." As the hourly wage along the border averages less than fifty cents an hour, there is a considerable saving to the manufacturing firms involved. Mexico, in turn, does not apply any duty on these exports.

The free trade zone was established by Mexico under its Border Industries Program (el Programa de Industrializacion Fronterizo) in 1965. Ostensibly, the reason for the need for such a program was the high unemployment in the northern states of Mexico due to the termination of the bracero program in December, 1964. Participation in the program by U.S. firms accelerated after the U.S. Tariff Commission reviewed the entire program in 1970 and gave the undertaking its explicit approval.¹²

Texas must continue to actively support these tariff codes. There were 29 bills filed in Congress last year calling for appeal of the tariff provisions. Most of the opposition has come from Congressmen from non-border states and organized labor leaders who believe U.S. workers are being deprived of jobs and that Mexican workers are being exploited.¹³

International markets create jobs and development. According to the Interim Report of the House Committee on Business and Industry, 64th Texas Legislature, Texas exports in 1975 were approximately \$9.5 billion, including oil and mineral resources.¹⁴ The report predicted that by the end of 1976 this figure should reach a record high of \$10.6 billion. The report also states the export business provided 570,000 jobs for Texans during the period and that by the end of 1976 this figure should rise to over 630,000 jobs. In their opinion, for every \$1 billion of Texas exports, a conservative estimate of 60,000 jobs is created. The U.S. Export and Import Bank estimates that \$1 billion in exports creates about 84,000 jobs.¹⁵

Recommendations:

- . THE STATE OF TEXAS SHOULD SUPPORT THE CONTINUATION OF SECTIONS 806.30 AND 807.00 OF THE UNITED STATES TARIFF CLASSIFICATION ACT OF 1962 WHICH DEAL WITH TAXES ON IMPORTED GOODS.
- . THE LEGISLATURE SHOULD INCREASE FUNDING FOR THE INTERNATIONAL DEVELOPMENT DIVISION OF THE TEXAS INDUSTRIAL COMMISSION TO EXPAND THEIR INTERNATIONAL MARKETING OPERATIONS FOR THE PURPOSE OF AIDING AND ASSISTING THE TEXAS BUSINESS COMMUNITY IN THEIR ENTRY INTO FOREIGN MARKETS, AND TO DEVELOP AND MAINTAIN INFORMATION SERVICES TO IDENTIFY FOREIGN MARKETS AND MATCH THOSE MARKETS WITH TEXAS SUPPLIERS.

FOOTNOTES

¹Committee on Business and Industry, Texas House of Representatives, "Total Effect Per Dollar Appropriated for Programs of the Tourist Development Agency," Interim Report Sixty-fourth Legislative Session, Austin, pp. 101-105.

²Texas Department of Highways and Public Transportation, Texas Visitor Industry, Austin, 1975, p. 7.

³Committee on Business and Industry, Interim Report Sixty-fourth Legislative Session, pp. 101-105.

⁴Ibid.

⁵Ibid.

⁶Frank Hildebrand, Texas Tourism Development Agency, telephone interview, Austin, Texas, November, 1978.

⁷Ibid.

⁸Ibid.

⁹Peter Canga, "Impact of the Mexican Border Industry Program on the Texas Border Economy," (unpublished master's thesis, University of Texas, Austin, 1975), pp. 16-23.

¹⁰Ibid., p. 22.

¹¹Ibid., pp. 51-54.

¹²Ibid., pp. 14-20.

¹³H. Smith Hylton, "Oil Boom Means Boost to Industry on Border," Austin American Statesman, November 13, 1978.

¹⁴Committee on Business and Industry, Texas House of Representatives, Interim Report Sixty-fourth Legislative Session, pp. 83-87.

¹⁵Ibid., pp. 83-87.

TRANSPORTATION

Adequate transportation is a critical factor in the economic development of South Texas. The ability to move people, food, raw materials, and manufactured goods from South Texas to other areas of Texas and to other states has a tremendous impact on the economy of the Basin. In a 1974 issue of Business Week, transportation was listed as an important determining factor by 76 percent of the manufacturing plants seeking new plant locations.¹ South Texas growers have indicated that transportation is the top problem of their industry today and for the foreseeable future.

Industrial and agricultural development has suffered from the high costs of freight shipment. The major factor contributing to these costs is the region's inaccessibility to intrastate roads and interstate markets. Because the area lacks the concentration of freight to be commercially effective, it has inadequate freight services. Competitive transportation rates and services, which are necessary for regional development of industries, can be achieved through a well planned and unified transportation plan. Discrepancies in state and federal regulations governing carriers, and the lack of substantial transportation data and research are deterrents to the region's economic growth which could be solved through a Basinwide transportation plan. A 1975 study conducted by the Texas Transportation Institute concluded:

There has been practically no transportation research done in the South Texas area. In addition, secondary data sources do not furnish data in sufficient detail on a regional basis. Also, the entire area of intercity goods movement is characterized by a dearth of reliable information.²

1. Intermodal Transportation Planning. There is no single organization that can plan, coordinate, and develop a unified transportation plan for South Texas. Regional councils of governments cannot develop plans for an area beyond their boundaries. Existing service is not coordinated, and present freight traffic is highly dispersed. This reduces service quality and may contribute to higher costs. Multimodal freight terminals situated throughout South Texas might allow an accumulation of freight conducive to improved service and rates. For example, if a number of small shipments could be accumulated at a central point, all going to the same destination, containers could be loaded and delivered to the points of destination. This would alleviate exchange-time loss when small, independent shipments must be repackaged several times.

Some problems restricting carriers' ability to provide competitive transportation rates and services for South Texas are:

- . The difficulty--partly because of the nature of transportation demand and partly because of regulatory obstacles--of balancing inbound and outbound movements of freight;
- . Inconsistent regulatory treatment of the modes of transportation concerning factors such as ownership of other modes, degree of economic regulations, entry requirements, standards of service required, and authority and requirements for intermodal coordination, which prevent carrier access to the full potential market for their respective services; and

- . Regulatory obstacles to achieving greater efficiency in the utilization of transportation resources by carriers such as merger conditions, out-moded labor laws, routing restrictions, limitations on eligible origin and destination points, and types of traffic that can and cannot be handled under the respective types of certificate authority.³

It is apparent that serious transportation problems do exist which must be addressed if the Basin is to generate and accommodate future growth and development. One of the components of the GSTCB Commission's development grant fund proposes to fund an initial study on intermodal transportation (see Development Grant Proposal Chapter). While concentrating on South Texas transportation problems, this study is expected to produce data and recommendations which have statewide application. However, the \$250,000 budgeted for this study will not be adequate to investigate the complete "transportation picture." The Legislature needs to find additional sources of revenue to examine one of the State's vital factors concerned with economic development--transportation.

Recommendation:

- . THE LEGISLATURE SHOULD IDENTIFY ADDITIONAL SOURCES OF REVENUE TO FINANCE INTERMODAL TRANSPORTATION PROJECTS.

Because of inadequate air and rail service most of the Basin's transportation is by motor carrier. In addition to any recommendations which will come from future transportation studies, the GSTCB Commission believes several changes can be made now to improve motor carrier service statewide as well as in the Basin.

2. Transportation of Agricultural Products. Three types of motor carriers operate in Texas: contract carriers, common carriers, and specialized motor carriers. The specialized motor carrier transports livestock and agricultural commodities. Any of these carriers may transport agricultural commodities in "interstate" traffic and be exempt from state and federal economic regulations. The "intrastate" hauling of the same products, though, is regulated by the Texas Railroad Commission. This inequity of interstate and intrastate policies has virtually made the Valley more inaccessible than Florida and California markets.⁴

It is important to note that while regulation does not necessarily mean higher prices and therefore less accessible markets, it frequently does. The effect of price-setting, whether by a regulatory authority or a group of shippers, is generally higher prices. This may result from anticipation of market demand, inflation, or a number of other factors.

Because of prices set by the intrastate regulatory authority, the Texas Railroad Commission, South Texas agricultural shippers many times find themselves at a competitive disadvantage with out-of-state shippers on motor carrier shipments destined to Texas markets. By contrast, the Interstate Compact Act, CFR 49, specifically exempts agricultural and horticultural commodities from economic regulation when moving by motor carriers. Vernon's Civil Statutes, however, in Article 911b, Section 1 (i) 1a (1) (b), provide for economic regulation of intrastate shipments of these same commodities when moving by motor carriers. Intrastate carriers of agricultural and horticultural commodities

must, in addition, have a certificate of Public Convenience and Necessity. Two examples of these state-interstate regulatory inequities are shown below.⁵

Example 1: The freight charges on Florida and California oranges moving to Dallas are negotiated between the exempt carrier and the shipper. Freight charges on a shipment of oranges from Edinburg, Texas to Dallas are prescribed by the Railroad Commission. Additionally, Texas statutes require the intrastate carrier to have a certificate of Public Convenience and Necessity (PC&N). A PC&N certificate is not required for interstate shipments. Florida and California shippers are able to move oranges to Dallas at less cost than a shipment of oranges from Edinburg to Dallas, although the distance is two to three times as great.

Example 2: A shipment of grapefruit from Edinburg, Texas to Texarkana, Texas is subject to rate and service regulations by the Railroad Commission. A shipment of grapefruit from Edinburg, Texas to Texarkana, Arkansas is not subject to economic regulations. In this instance, the freight charges to Texarkana, Arkansas are generally less than the freight charges to Texarkana, Texas, for a substantially similar movement.

Other examples of discriminatory rates were cited by South Texas shippers in 1974 as part of a study conducted by the Council for South Texas Economic Progress: (a) the truck rate on citrus concentrate in steel drums from South Texas to Chicago is \$2.47 per hundred weight compared with \$1.93 per hundred weight from Florida to Chicago, although the distances are approximately equal; and (b) a fiberglass swimming pool slide shipped by truck from South Texas to New York reportedly cost \$38 compared with only \$44 when shipped from California to New York, although the distance is nearly double.⁶

South Texas is almost entirely dependent upon motor carriers to move its products quickly to markets, as it must compete in national markets against producers from California and Florida. High shipping costs and a shortage of transportation services at peak production times has plagued both producers and haulers. Transportation rates, services, and facilities are critical determinants in this highly competitive industry. Although the issue of regulation versus deregulation of the carrier industry has not yet been resolved, greater flexibility in controls must be considered to alleviate the competitive disadvantages under which South Texas shippers and producers currently operate.

Recommendation:

1. THE LEGISLATURE SHOULD AMEND VERNON'S CIVIL STATUTES TO EXEMPT INTRASTATE MOTOR CARRIER SHIPMENTS OF AGRICULTURAL AND HORTICULTURAL PRODUCTS FROM ECONOMIC REGULATIONS.

3. Motor Carriers. The Interstate Commerce Act permits authorized contract motor carriers to handle shipments at rates lower than would be charged by common motor carriers for the same shipment. In Texas, contract carriers can provide this service at rates no lower than those that would be charged by common motor carriers on the same shipment. This intrastate regulatory condition, in effect, destroys the principal advantages offered by contract motor carriers.

A contract carrier is in the business of providing a fully customized motor transportation service for a limited number of shippers. Common carriers, on the other hand, are certificated to handle all general commodities for all shippers. The customized service offered by contract carriers generally offers economies of scale to both the shipper and carrier. Under the present law, however, contract carrier rates can be no lower than common carrier rates even though economically justified. Article 911b, Section 6-aa of Vernon's Civil Statutes is the statutory authority for Railroad Commission regulation of contract carriers in Texas. Section 6-aa provides that the fares and charges of contract carriers "...shall not be less than the rates prescribed for common carriers for substantially the same service." This provision eliminates the cost benefits normally associated with the use of contract carriage. Economic development efforts in South Texas are hampered because of this provision.⁷

The process by which carriers are certified by the Texas Railroad Commission (RRC) is often arduous, mainly due to the requirement for hearings on major actions. There have been occasional complaints that a certified carrier is not providing adequate service. If this is established through the hearing procedure, certification can be removed and awarded to another carrier. Also, new carriers seeking to serve in South Texas or innerline with existing South Texas carriers must also go through the hearing procedures. The RRC could expedite the certificating process if the Motor Carrier Act were amended, and if the RRC could expand their operations mainly by increasing the size of the staff.

Recommendations:

- . THE LEGISLATURE SHOULD AMEND ARTICLE 911b, SECTION 6-aa OF VERNON'S CIVIL STATUTES TO PROVIDE THAT CONTRACT CARRIER RATES BE DETERMINED ON THEIR OWN MERIT, USING THE "JUST AND REASONABLE" PRINCIPLE, INDEPENDENT OF ANY RATES APPLICABLE TO COMMON CARRIERS.
- . THE LEGISLATURE SHOULD INCREASE FUNDING TO THE TEXAS RAILROAD COMMISSION AND CONSIDER AMENDMENTS TO THE MOTOR CARRIER ACT IN ORDER TO EXPEDITE THE CERTIFICATING PROCESS.

FOOTNOTES

¹The Council for South Texas Economic Progress, Transportation as a Catalyst for Improving Socio-Economic Conditions in South Texas, (McAllen, Texas), 1974, pp. 1 and 2.

²Jack T. Lamkin, Staff Report to the Council for South Texas Economic Progress, Texas Transportation Institute, June, 1975, p. 119.

³Texas House of Representatives, Committee on Transportation, Legislative Needs for Texas Transportation, Austin, 1976, p. 85.

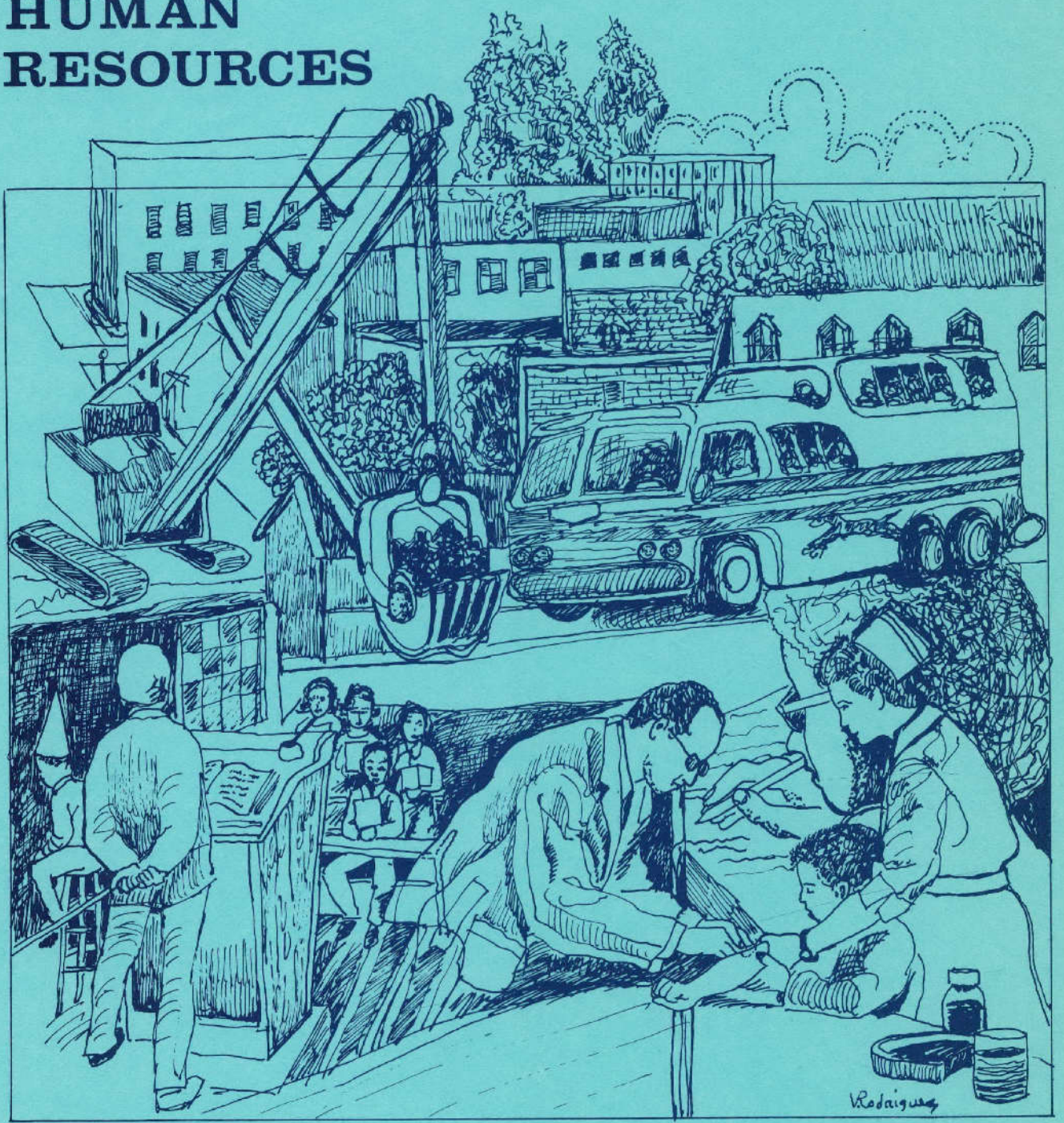
⁴Larry White, transportation specialist, Council for South Texas Economic Progress, telephone conversation, McAllen, Texas, December, 1978.

⁵Ibid.

⁶Texas House of Representatives, Legislative Needs for Texas Transportation, p. 85.

⁷Larry White, COSTEP, December, 1978.

HUMAN RESOURCES



HUMAN RESOURCE DEVELOPMENT

Because jobs are the key to upgrading the quality of life in South Texas, the Greater South Texas Cultural Basin (GSTCB) Commission has concentrated on developing the economy of the Basin. Simultaneously, the GSTCB Commission has worked to improve human services, recognizing that human resource development is essential for sustained economic growth and overall development of the Basin and its people.

"Human resources are people or individuals."¹ The greatest resource in the Basin is its people, and people have certain basic needs. "Needs represent a view of what an individual or group requires to play a role, meet a commitment, participate adequately in a social process, or retain an adequate level of energy and productivity."²

"Human services are specific acts of providing to an individual or groups an economic or social good"³ that meets their human needs. Although most public services are provided to meet human needs, the term "human services" is generally used to describe a set of services provided primarily to meet the needs of poverty level or disadvantaged individuals. Examples of these services include:⁴

- . Public Assistance
- . Social Services
- . Public Health
- . Mental Health
- . Mental Retardation
- . Medical Care
- . Aging
- . Vocational Rehabilitation
- . Maternal and Child Health
- . Manpower programs
- . Employment Services
- . Alcoholism Services
- . Drug Abuse Programs
- . Youth Institutional Services

In 1974, the Department of Health, Education and Welfare (HEW) awarded a Partnership Grant to the GSTCB Commission to implement the Regional Human Resource Development (RHRD) Project. Under the terms of this grant, the GSTCB Commission proposed to develop greater capacity at the state and regional levels for planning and managing human service programs. This "capacity building" effort was directed specifically at the GSTCB Commission and five councils of governments (COGs) in South Texas as a state and regional mechanism for integrated, comprehensive human resource planning and management. The RHRD project was eventually a three-year project.

The RHRD's first year set in place the components of the planning process and laid the groundwork for the development of a comprehensive plan. The project's second year improved the planning process and developed a comprehensive human resource plan for each of the five COGs and for the Basin as a whole. This process identified human service needs for each COG, what services are available, and what actions are necessary to improve the service delivery system. During the third year, refining and institutionalizing the human resource planning process and improving local decision making were emphasized. Attention was also given to updating the regional human resource plans and utilizing those

recommendations concerning state agencies' appropriation requests. These recommendations either supported the request of the state agency or asked for additional monies on the basis of need.

The first element of this planning process was the needs assessment. The purpose for conducting a needs assessment in each of the five COG regions was to determine the nature and degree of the human service needs there. The needs assessments provided each COG with information on people's perception of need, which assisted the COG in identifying the human services required to meet those needs.

The five COGs in the Basin employed various techniques of data gathering to assess the needs for human services within their respective regions. Three techniques were used by all the COGs due to their ease of implementation: a survey of service providers, a survey of political and community leaders, and secondary data analysis. Additional techniques were used by several COGs to further validate and verify the human needs identified through the other methods. These included public hearing testimony; a public hearing questionnaire; community workshops; a survey of service recipients; a survey of interagency councils, human resource councils, and human resource committees, and an analysis of agencies' management information.

The identification of each COG region's human services needs and the results of their service inventories served as the basis for the development of their regional human resource plans. Comparing the list of human service needs with the available services in each state planning region allowed the human resource coordinators to identify gaps in services, duplication of services, and the need for increases or decreases in existing services. Based on the analysis of the needs assessment and service inventory information, each COG developed goals, objectives, and recommendations to address the unmet service needs.

Once the regional human resource plans were completed and approved by the COG's boards of directors, the plans were forwarded to the GSTCB Commission for integration into a basinwide human resource report that addresses locally-identified needs. The needs for human services identified in each of the five regional plans served as the basis for the development of the Regional Human Resource Development Project, Phase II Report (1977) and Human Resource Development Phase III Report (1978).

The RHRD comprehensive human resource planning process was the major source of recommendations in this chapter. Another source of information and recommendations was the GSTCB Commission's Education Committee, which was established in June, 1978. In June, the Commission established both an Economic Development Committee and an Education Committee as part of its strategy to improve living conditions in South Texas. The Education Committee focused on recommendations to reduce the number of school dropouts, to expand vocational education opportunities, and to seek implementation of these recommendations. With improved educational opportunities in the forty-county area, the GSTCB Commission expects the State and federal governments will, in the long term, spend less in the Basin for social, health, and housing services. Moreover, the GSTCB Commission views vocational education as a complement to economic development, since a population with technical and commercial skills is more conducive to economic development than an unskilled population.

The recommendations pursued by the Education Committee included: a study to determine the numbers of and reasons for school dropouts; developing alternative schools to reduce the number of school dropouts; the appropriation for the 1980-81 biennium for the Texas Education Agency (TEA) to meet its vocational education objectives; adjusting projections of high school students enrolling in vocational education; increasing the number of vocational education counselors and job placement officers; encouraging adjoining school districts to coordinate and share their vocational education programs; increased funding for disadvantaged vocational education students; and increased funding for part-time employment of vocational education students.

In October, 1978, the Education Committee presented the recommendations to the State Board of Education. At that time, the Commissioner of Education noted that most of the recommendations will be addressed in a comprehensive study of the Occupational-Technical program. Because the study will not be completed for some time, the Commissioner requested TEA staff "to immediately improve the provision of services."⁵ Since October, GSTCB Commission staff has met with TEA staff to help implement the recommendations.

In December, the Education Committee met to review the remaining education recommendations. The Committee will present the remaining recommendations to the State Board of Education in early 1979. It will also present all education recommendations of the GSTCB Commission to the Senate Education Committee and the House Committee on Public Education during the regular session of the Legislature.

In summary, the recommendations in this chapter mainly derive from the GSTCB Commission's comprehensive human resource planning process and the work of its Education Committee. Special attention was given to the needs in various functional areas receiving the highest priority and which are key factors in improving social and economic conditions in the Basin. These functional areas are education, employment/manpower, health, housing, and transportation to social services. In addition, attention was given to ensuring high-quality planning and coordination services to local governments by the COGs. The recommendations in these functional areas and their justification are discussed in this chapter.

Remember that the priorities and recommendations are concentrated in program areas capable of making fundamental changes in the lives of the people or in the economy of South Texas, and that the recommendations seek to eliminate the social and economic illnesses of the Basin, not just treat the symptoms--even though this too is important and necessary for the short run. With regard to human services, this means the GSTCB Commission and this report did not attempt to deal with every existing program and service in the Basin. Not mentioning a program or service does not mean it is not needed, but rather that other programs and services were deemed to be more important to the Basin or that present demands are being met, or that additional service capacities were available.

FOOTNOTES

¹Human Services Institute for Children and Families, Inc., Alternative Approaches to Human Services Planning (Arlington, Virginia, 1974), p. 6.

²Research Group, Inc., "A Workshop on Human Service Needs Assessment and Service Inventory for the Greater South Texas Cultural Basin Commission" (Atlanta, Georgia, 1976), p. 9.

³Human Services Institute, Alternative Approaches, p. 6.

⁴Ibid., p. 5.

⁵Texas Education Agency, "Education Recommendations of the Greater South Texas Cultural Basin Commission" (a letter from the Commissioner of Education to the Committee for Priorities, Accountability, and Accreditation of the State Board of Education), Austin, Texas, October 13, 1978.

EDUCATION

One of the basic problems among the people of South Texas is their low level of educational attainment. The problem is more pronounced among the Mexican-American population because of the language and cultural barriers they must overcome. The lack of educational skills affects manpower and economic development in the Basin. The result is a large surplus of unskilled labor who cannot take advantage of skills training because of their current low level of educational attainment. The median educational level in the Basin was 10.3 years in 1970, compared to 11.6 years for the State as a whole.¹ The median educational level of Spanish-surnamed persons in Texas 25 years of age and over was only 7.2 years in 1970.² This has a definite impact on South Texas because Spanish-surnamed persons comprised 53.5 percent of the region's total population plus 51 percent of the State's total Spanish-surnamed population in 1970.³

The major human need in the area of education is to keep students in school. By keeping students in school, students will be generally assured of a skill upon graduation and, hence, gainful employment. To keep students in school requires the following services: (1) dropout prevention; (2) relevant curriculum, particularly bilingual/bicultural education programs; (3) vocational education programs; and (4) community involvement programs. If students are not retained in school, then an additional educational service is necessary: (5) adult and adult bilingual education.

1. Dropout Prevention. Though the dropout problem is not restricted to the Mexican-American population, it is more pronounced among this minority. A series of reports on the education of Mexican-Americans in the Southwest conducted in 1974 by the U.S. Commission on Civil Rights identified that only 6 out of every 10 Mexican-Americans enrolled receive high school diplomas. Therefore, approximately 40 percent of the Mexican-Americans who start school in the Southwest, including Texas, dropout before completing high school.⁴

No agency in the State, including the Texas Education Agency (TEA) and independent school districts (ISD's), maintains records on school dropouts due to the difficulty of following up the relocation of a student. Due to this difficulty, TEA collectively refers to those who leave school to attend a school in another ISD or who quit school as "school leavers." By comparing the school enrollment figures for every ISD in the forty-county Basin, it was learned that of those enrolled in the ninth grade in the 1974-75 school year, 20.8 percent of the Anglos, 31.7 percent of the Blacks, and 34.9 percent of the Mexican-Americans were "school leavers" by the 1977-78 school year when they should have graduated as seniors (see Chart 1).⁵ That most of these students moved to attend school in another ISD is doubtful. Some educators believe that the school leaver rate is higher than indicated, because of the presumably high Mexican-national replacement rate in ISD's, particularly along the Mexican border.⁶

The results of the high dropout rate are numerous. Nineteen of the 40 counties of the Basin are designated areas with high rates of youth unemployment. These include all the counties along the Mexican border and some adjacent counties, the three counties in the San Antonio Standard Metropolitan Statistical Area (SMSA), and the two counties in the Corpus Christi SMSA.⁷ Many of the dropouts inevitably have need for adult education programs, unemployment

compensation, food stamps, and many other public assistance programs. By encouraging students to remain in school and acquire a skill, the costs to local, state and federal governments for social assistance programs will decline.

Although community involvement programs and relevant curriculum are subtle means of preventing dropouts, there is a definite need for specific dropout prevention programs in many of the schools in the Basin. Such programs would provide specialized counseling and curriculum for dropouts and potential dropouts. Federal funds are available for dropout programs under Title IV, Part C, of the Elementary and Secondary Act (ESEA), but the funds are limited. Currently, there are seven projects funded under ESEA in Texas; three are in the Basin.⁸

Although there are no specific funds at the state level for such programs, a school district can utilize the State's Foundation School Program Allocations to operate an alternative school for dropouts and potential dropouts. The Corpus Christi Independent School District operates an Alternative Education Center for dropouts and potential dropouts. The Center serves about 325 students and graduates about 110 students each year.⁹ Naturally, operating such a center costs more because of the emphasis on individualized instruction. As a result, more school districts do not utilize this approach because the local school district has to pay for the added cost not covered through the Foundation School Program.¹⁰ A separate State program for dropout programs is needed in Texas, particularly South Texas.

Recommendations:

- . THE TEXAS EDUCATION AGENCY SHOULD SEEK AN APPROPRIATION FROM THE LEGISLATURE FOR THE 1980-81 BIENNIUM TO CONDUCT A STUDY TO DETERMINE THE NUMBER OF DROPOUTS AND THE REASONS FOR THE STUDENTS LEAVING SCHOOL. SUCH A STUDY WOULD ASSIST IN PROVIDING A BASIS FOR DEVELOPING PROGRAMS TO ADDRESS THE DROPOUT PROBLEM.
- . THE STATE BOARD OF EDUCATION AND THE TEXAS EDUCATION AGENCY SHOULD GIVE HIGH PRIORITY TO THE PROBLEM OF SCHOOL DROPOUTS IN 1979, AND SHOULD DETERMINE THE FEASIBILITY OF INCLUDING A REQUEST FOR ALTERNATIVE EDUCATION PROGRAMS AS A LINE ITEM UNDER THE STATE'S FOUNDATION SCHOOL PROGRAM TO LOCAL SCHOOLS IN THE 1980-81 BUDGET.

2. Relevant Curriculum. There are several programs and measures which can help reduce the number of students leaving school before graduation. Perhaps one of the most important programs to reduce the number of dropouts is bilingual education. The goal of bilingual education is to give students, particularly Spanish-speaking students, efficiency in English while retaining or enhancing their efficiency in Spanish. Preliminary data on the bilingual education program seems to indicate that it increases the academic success of students who undergo a bilingual education program;^{11,12} by increasing their academic success, fewer students are likely to dropout. The bilingual education program, however, presently extends from kindergarten through grade 3 (K-3). It should extend to grade 5 (K-5) to give bilingual students a greater understanding of and facility in both English and Spanish. For the 1980-81 biennium the Texas Education Agency is requesting \$11,790,000 for bilingual

education. Based upon a TEA analysis of bilingual education costs for the 1980-81 biennium, the requested amount falls below the smallest number of students projected in kindergarten through grade 3 bilingual education programs. This minimal request, moreover, is insufficient for bilingual education programs in grades 4 through 12, for English as a Second Language (ESL) programs, and for teaching English-speaking teachers classroom Spanish.¹³

The present curriculum and instructional materials provided in many school districts do not incorporate the language, the history, and the culture of Mexican-Americans. These characteristics must be included in the curricula of the Basin's school districts to make education more relevant to Mexican-American students.¹⁴

Career education is another program which can help reduce the number of dropouts. This program assists students in making a career choice or choices resulting in relevant curriculum adjusted to their career preference. Approximately 25 percent of the schools in Texas have incorporated some aspects of career education into their curriculum.¹⁵ The federal funds provided through the Career Education Incentive Act passed in late 1977 can assist the other 75 percent of the schools in adding career education programs to their curriculum. The Act authorizes \$325 million for programs at the elementary and secondary school levels for the five-year period, 1979-1983. Congress, however, appropriated only \$32.5 million for fiscal year 1979 of which Texas' share is \$1.25 million.

Another measure that has a positive impact on the dropout problem is to increase the number of decision-makers who are Mexican-American. By increasing the number of Mexican-American teachers, counselors, principals, and school board members, more interaction between students and teachers can be attained, and Mexican-American students are provided with more effective role identification. In addition, these Mexican-American decision-makers can usually deal more effectively with Mexican-American students because they have a better understanding of their language, culture, and life experiences. More importantly, their representation in staff positions can affect the selection and implementation of relevant curriculum.¹⁶

Recommendations:

- . THE LEGISLATURE SHOULD APPROPRIATE AT LEAST \$15 MILLION FOR THE 1980-81 BIENNIUM TO THE TEXAS EDUCATION AGENCY FOR BILINGUAL EDUCATION PROGRAMS.
- . THE TEXAS EDUCATION AGENCY SHOULD IMPLEMENT A BILINGUAL EDUCATION PROGRAM FROM KINDERGARTEN TO GRADE 5, AND THE LEGISLATURE SHOULD APPROPRIATE \$20 MILLION FOR THIS PROGRAM IN 1980.
- . THE TEXAS EDUCATION AGENCY SHOULD DEVELOP, FINANCE, AND LOCATE MATERIALS ON MEXICAN-AMERICAN HISTORY AND CULTURE AND MAKE THESE AVAILABLE TO LOCAL SCHOOL DISTRICTS.
- . CONGRESS SHOULD APPROPRIATE \$325 MILLION FOR THE FISCAL YEARS 1979-83 INCLUSIVELY TO THE U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE FOR CAREER EDUCATION PROGRAMS.

THE TEXAS EDUCATION AGENCY SHOULD ENCOURAGE LOCAL SCHOOL DISTRICTS TO CONTINUE TO RECRUIT AND HIRE MEXICAN-AMERICAN TEACHERS, COUNSELORS, AND ADMINISTRATORS IN PROPORTION TO THEIR ETHNIC ENROLLMENTS.

3. Vocational Education. Besides bilingual and bicultural education, vocational education also adds more relevancy to the education process for the student. Vocational education teaches the student a "real-world" skill, and it also makes the student more employable upon graduation. And with a greater supply of those with skill training, the Basin becomes more attractive to industry which needs skilled workers. The result is a region that stands a better chance of developing economically without federal and State subsidies.

The Texas Advisory Council for Technical-Vocational Education (ACTIVE) projects that between 1976 and 1985 there will be an average of 184,294 job openings annually with an average annual supply of vocationally trained workers of 129,006. The projections made by ACTIVE indicate that job demand will be in the office, industrial, distribution, and health occupations, while trained personnel will be available in the greatest numbers in the industrial, office, distribution, technical, and health occupations. Even though trained personnel will be available, they will not entirely meet the demand except in the technical training field; therefore, there will be a continuous demand for vocationally trained workers in the industrial, office, distribution, health, homemaking, and agriculture occupations.¹⁷ Thus, vocational education will become not only increasingly important to South Texas, but to the entire State.

For the 1980-81 biennium, TEA has requested \$567.1 million from the Legislature for vocational education.¹⁸ In TEA's five-year vocational education plan which includes the 1980-81 biennium, however, TEA requested \$704.1 million.¹⁹ TEA explains the discrepancy in budget requests by saying the ISD's would have difficulty operating more vocational education programs even if more funds were available. This is due to several factors: many ISD's do not have funds available to match State funds; facilities are inadequate to hold additional programs; and the ISD's are unable to meet minimum student requirements for additional vocational education programs.²⁰

Another factor which may contribute to TEA's request to the Legislature for less funds than estimated in the five-year State vocational education plan is the projections of the percentage of secondary students participating in vocational education programs, services, and activities. Though these projections are made annually, the projections are based on data that are two years old. This lag time is a result of the problems associated with data collection and evaluation. The vocational education plan projected that the percentage of students participating in vocational education programs, services, and activities would be 13.0 percent in 1978, 13.3 percent in 1979, 13.7 percent in 1980, 14.0 percent in 1981, and 14.1 percent in 1982. The actual percentage of students in the State who participated in vocational education programs, services, and activities in 1977 was 14.95 percent.

Apparently, as long as TEA underestimates the number of students who will participate in vocational education programs, the less likely TEA will be to request an appropriation sufficient to address the objectives in the vocational education plan. In addition, the difference between TEA's requested allocation and the request in the plan could perhaps more appropriately be used for

exposing younger students to career alternatives, or career education, without expanding facilities.

An important component of the vocational education system in Texas is the vocational education counselor. The vocational education counselor has the responsibility of guiding students to a marketable skill; informing the particular school or ISD of programs available to students, the school, and the ISD; and occasionally acting as a job placement officer for students who have successfully completed a vocational education program. The vocational education counselor is not to be confused with the academic guidance counselor, whose responsibilities and training are essentially different from the vocational education counselor.

Vocational education counselors, however, are a rarity. ISD's are eligible for a vocational education counselor if they have 300 students regularly enrolled in vocational education programs. ISD's are eligible for an additional counselor for each additional 500 students regularly enrolled in vocational education programs.²¹ Provision for a half-time vocational education counselor is made to ISD's with small vocational education enrollments. But locating qualified personnel who are willing to work part time is difficult. The result of the relatively high number of vocational education students necessary to justify one vocational education counselor is that at least 80 ISD's out of the 160 in the 40-county Basin are without a vocational education counselor (see Chart 2). By reducing the number of students necessary to qualify for a vocational education counselor, more students would receive badly needed counseling. Moreover, ISD's with less than 200 students enrolled in vocational education should establish a consortium with other small ISD's to hire a vocational education counselor.

The lack of vocational education counselors is further compounded by the lack of people specifically responsible for placing students in careers for which they are trained. Presently, the vocational education counselors and the vocational education instructors have the general duty of placing students in careers for which the student has a skill. However, this placement mechanism is haphazard at best, since neither the vocational education counselors nor the vocational education instructors have the specific duty of placing students. TEA, however, has provided seven ISD's in the Basin with personnel whose sole responsibility is placing students in jobs for which they have skills. The seven ISD's are Brownsville, Corpus Christi, Flour Bluff, Harlandale, Harlingen, McAllen, and Pharr-San Juan-Alamo. Because of a seeming duplication of services--both vocational education counselors and vocational education instructors have assumed job placement responsibilities on an ad hoc basis--TEA wishes to discontinue hiring personnel whose sole function is job placement.

In an effort to provide comprehensive vocational education to the secondary students of Texas, TEA has established area vocational education schools. Area schools must offer at least five different occupational fields. They must also serve neighboring ISD's whose vocational education programs are limited by the small number of students enrolled in vocational education.

Area vocational education schools have not been successful in attracting students from neighboring ISD's. Several factors are cited. First, students from neighboring ISD's will frequently not use the area vocational school

because they do not know the facilities are available to them. A vocational education counselor should inform students of the availability of facilities and programs at the area vocational school. The ISD's that usually have a great need for these facilities are the ISD's that usually do not have the services of a vocational education counselor. Another reason for the limited success of the area vocational school is an intense community identification which results in school rivalries. The effect of the school rivalries is to inhibit students of the regular schools from attending the area vocational schools. A third reason is the long distance to the area vocational school campus from the regular campuses. The travel time involved may prevent students from participating in extra-curricular activities. The result of these factors is that of all the vocational education students in South Texas in the 1977-78 school term, only 29 students attended areawide vocational schools outside their ISD (see Chart 3).²²

Poverty in the Greater South Texas Cultural Basin is widespread. In the Basin more than one of every four people (28.6 percent) and more than one of every five families (23.5 percent) lives below the poverty level.²³ Over one third (34.6 percent) of those age 25 and older have less than an eighth grade education. Over two-fifths (41.3 percent) of the Basin's population is 18 or younger according to the 1970 Census. And 19 of the Basin's 40 counties have high rates of youth unemployment. Poverty conditions prevalent in the Basin undoubtedly contribute to the high dropout rate: many students drop out to supplement their family's income.

In Texas there are very few programs that provide stipends or other monetary inducements to students who are enrolled in an ISD's vocational education program and who have acute economic needs. TEA provides a work-study program during the summer months for students whose family income falls below the poverty level. Prospective work-study students need to be enrolled or pre-enrolled in a vocational education program. The program, however, lacks sufficient funds to adequately address all students who are enrolled in vocational education programs and whose families' income falls below the poverty level. In addition, the students' ISD must pay for a percentage of the work-study program which it frequently cannot do. Furthermore, the program is limited to only non-taxpaying--governmental--entities. In the 1977-78 academic year, only 398 students from 41 ISD's in the Basin were able to take advantage of the work-study program (see Chart 4).²⁴

The U.S. Comprehensive Employment and Training Act (CETA) provides a number of youth training programs. The CETA programs, however, are usually available only to youth who are no longer enrolled in school (see Chart 5).

In an effort to address some of the problems of disadvantaged youth, TEA developed the Coordinated Vocational-Academic Education (CVAE) Program. The CVAE Program is designed to provide secondary students who are disadvantaged and potential dropouts with basic education skills and some knowledge of any one of several vocational programs. The CVAE program is considered a success because it probably has dissuaded students from quitting school. Yet only 57 of the 160 ISD's in the Basin participate in the program. In the 1977-78 academic year, 5,636 students were enrolled in it (see Chart 6).²⁵

Many geographic areas in the Basin are in need of Exemplary and Innovative Programs to improve vocational education. While most of the vocational units in the Basin are offered in schools in urban areas, the 5 SMSAs in the Basin

have a high number of disadvantaged persons in need of innovative programs. On the other hand, the rural areas in the Basin are also in need of programs to provide vocational training. Thirty eight of the 128 school districts in the Basin offering vocational education programs offer only one or two occupational fields--agriculture and homemaking.²⁶

Recommendations:

- . THE LEGISLATURE SHOULD APPROPRIATE THE NECESSARY FUNDS TO PROVIDE THE TEXAS EDUCATION AGENCY WITH \$704.1 MILLION IN THE 1980-81 BIENNIUM TO ACCOMPLISH THE VOCATIONAL EDUCATION OBJECTIVES SET FORTH IN THEIR CURRENT FIVE-YEAR PLAN.
- . THE TEXAS EDUCATION AGENCY SHOULD ADJUST ITS PROJECTIONS IN THE FIVE-YEAR STATE PLAN CONCERNING THE PERCENTAGE OF HIGH SCHOOL STUDENTS PARTICIPATING IN VOC-ED PROGRAMS, SERVICES, AND ACTIVITIES IN 1979-83.
- . THE TEXAS EDUCATION AGENCY SHOULD PROVIDE THE NECESSARY FINANCIAL ASSISTANCE TO SCHOOL DISTRICTS IN THE BASIN WITHOUT VOCATIONAL GUIDANCE COUNSELORS TO HIRE INDIVIDUALS PROVIDING GUIDANCE COUNSELING TO VOCATIONAL STUDENTS BY 1980.
- . THE LEGISLATURE AND THE STATE BOARD OF EDUCATION SHOULD LOWER THE REQUIREMENTS THAT LOCAL SCHOOL DISTRICTS MUST MEET TO QUALIFY FOR ONE VOCATIONAL COUNSELOR FROM 300 TO 200 STUDENTS REGULARLY ENROLLED IN VOC-ED PROGRAMS.
- . THE TEXAS EDUCATION AGENCY SHOULD FUND AT LEAST TWO LOCAL EDUCATION AGENCIES IN THE BASIN TO HIRE AN INDIVIDUAL TO PROVIDE EDUCATION AND JOB PLACEMENT SERVICES TO STUDENTS IN 1980.
- . THE TEXAS EDUCATION AGENCY SHOULD ENCOURAGE SMALL SCHOOL DISTRICTS TO FORM A CONSORTIUM TO SHARE THE COST OF A VOCATIONAL COUNSELOR BY POOLING THEIR VOC-ED ENROLLMENTS TO MEET THE STATE REQUIREMENTS FOR A COUNSELOR WITH A MINIMUM OF 150 STUDENTS.
- . THE TEXAS EDUCATION AGENCY AND THE ADVISORY COUNCIL ON TECHNICAL-VOCATIONAL EDUCATION SHOULD ENCOURAGE ADJOINING SCHOOL DISTRICTS TO COORDINATE THEIR VOCATIONAL EDUCATION PROGRAMS.
- . THE TEXAS EDUCATION AGENCY SHOULD PROVIDE FUNDS TO LOCAL EDUCATION AGENCIES IN AREAS OF THE BASIN WITH HIGH CONCENTRATION OF YOUTH UNEMPLOYMENT AND SCHOOL DROPOUTS TO PROVIDE VOCATIONAL AND ACADEMIC SERVICES TO DISADVANTAGED PERSONS DURING 1980.
- . THE TEXAS EDUCATION AGENCY SHOULD PROVIDE FUNDS TO LOCAL EDUCATION AGENCIES IN THE BASIN TO INCREASE THE NEW SLOTS AVAILABLE IN 1980 FOR FULL-TIME JOBS FOR SCHOOL YOUTH NEEDING THE EARNINGS TO CONTINUE THEIR VOCATIONAL TRAINING.

- THE TEXAS EDUCATION AGENCY SHOULD FUND AT LEAST NINE EXEMPLARY AND INNOVATIVE PROGRAMS IN THE BASIN IN 1980 IN THE FOLLOWING PROGRAM AREAS:

AT LEAST FOUR NEW PROGRAMS IN LOCAL EDUCATION AGENCIES TO IMPROVE VOCATIONAL TRAINING TO THE LIMITED ENGLISH-SPEAKING;

AT LEAST ONE NEW PROGRAM IN A LOCAL EDUCATION AGENCY AIMED AT ESTABLISHING COOPERATIVE AGREEMENTS WITH MANPOWER AGENCIES;

AT LEAST ONE NEW PROGRAM IN A LOCAL EDUCATION AGENCY TO PROVIDE VOCATIONAL TRAINING TO YOUTH WITH ACADEMIC, SOCIO-ECONOMIC, OR PHYSICAL HANDICAPS;

AT LEAST ONE NEW PROGRAM IN A RURAL SCHOOL DISTRICT TO IMPROVE VOCATIONAL EDUCATION; AND

AT LEAST TWO NEW PROGRAMS IN URBAN SCHOOL DISTRICTS.

4. Community Involvement Programs. Increased parent participation is a must in school affairs, particularly in the development of curriculum instructional materials. There is a need for a parental involvement program such as the one developed by the Southmost Educational Development Laboratory for migrant parents, aimed at increasing all parents' involvement in school activities. Such a program would promote the total development of children by improving relations among the home, the school, and the community.²⁷ Moreover, by involving parents in the education of their children, the numbers of school dropouts is expected to decrease.

Recommendation:

- LOCAL SCHOOL DISTRICTS SHOULD DEVELOP OR EXPAND PROGRAMS WHICH INVOLVE PARENTS IN THE DEVELOPMENT OF SCHOOL CURRICULUM AND INSTRUCTIONAL MATERIALS AND IN SCHOOL ACTIVITIES. THE TEXAS EDUCATION AGENCY SHOULD CONTINUE TO ASSIST LOCAL SCHOOL DISTRICTS IN DEVELOPING THESE PROGRAMS.

5. Adult and Adult Bilingual Education. In 1970, there were 940,413 adults 25 years of age and over in the Basin. Of this number, 325,367 persons had less than an eighth grade education and an additional 225,699 persons had more than an eighth grade but less than a high school education. By combining the two figures, there were 551,066 adults 25 years of age and over who were potential clients for adult education programs. This figure represented 58.5 percent of the Basin's population 25 years of age and over, and 18 percent of the statewide population 25 years of age and over.²⁸

The needs assessment conducted by local education agencies in the spring of 1977 and used for the 1979 adult education plan identified over 5.3 million persons in Texas in need of adult education services.²⁹ Primary adult education services include skill training, services to the limited English-speaking, basic education (grades 0-8), high school credit, General Educational Development test (GED), Community School Program, citizenship, and services to AFDC

recipients and senior citizens. Of this 5.3 million figure it is estimated that the Basin contains at least 18 percent of the statewide total or 954,000 persons in need. In 37 of the 40 counties in the Basin, these services are provided by 10 adult education cooperatives funded by the Texas Education Agency (TEA). Karnes, Refugio, and Aransas counties are served by a co-op outside the Basin. Independent school districts, regional educational service centers, and community junior colleges serve as prime sponsors for the co-ops.³⁰

During the 1970's the demand for adult education services has increased. In the 1974-75 biennium, approximately 50,000 persons in the Basin were served and during the 1976-77 biennium about 65,000 were served. An estimated 70,000 persons will be served during the current biennium.³¹ Many adults participating in adult education programs will continue to need these services to become functionally literate, particularly adults with less than an eighth grade education.

A large percentage of the potential clients for adult education programs in the Basin are Spanish speaking. In 1970, there were 1,047,969 Spanish-surnamed persons in the Basin or 53.5 percent of the total population in the Basin.³² Furthermore, the median educational attainment level of Spanish-surnamed persons in Texas 25 years of age and over was only 7.2 (7.6 school years for males and 7.0 school years for females)--well below the statewide median of 11.6 school years.³³ TEA does not specifically fund bilingual programs in Adult Education. However, as with vocational education, it is not uncommon for any class or program to use both English and Spanish languages as needed, even though the classes are not designated as bilingual programs.

The GSTCB Commission, therefore, recommended that TEA receive \$1.5 million for bilingual adult education in their appropriations for adult education. The Legislature appropriated \$13,068,399 for adult education during the 1978-79 biennium, but no money was specifically identified for bilingual adult education.³⁴ Objective 10 of the Texas State Plan for Adult Education for Fiscal 1979 provides support to local education agencies to assist in meeting the educational needs of special populations, an activity of which is the provision for the development of bilingual programs for adults.³⁵ Partially as a result, TEA has requested \$23.7 million for adult education for the 1980-81 biennium.³⁶

Another area of concern in the Texas State Plan for Adult Education for Fiscal Year 1979 was staff development for adult education instructors. In 1974, TEA formed the Task Force on Staff Development to explore the status of teacher training in Texas and to assist in the development of certification standards and a delivery system. Phase one of the Plan requires an occupational analysis program followed by the identification of specific tasks that must be performed by personnel for successful job performance. Phase two is the development and implementation of a delivery system or systems (product development and instructional process).

Phase one was completed in fiscal year 1977. Texas A&M was funded to identify competencies and develop a job description for all types of adult education personnel. Input was solicited from adult education administrators and teaching staff. Teacher training modules are being developed addressing various areas. Currently over 30 modules have been developed and are being pilot tested.³⁷

TEA anticipates that phase two--development activities prior to the writing of an accredited system--will be completed during the 1978-79 program year and that a recommended accredited program will be completed during the 1979-80 program year.³⁸

Recommendations:

- . THE LEGISLATURE SHOULD APPROPRIATE AT LEAST \$23.7 MILLION TO THE TEXAS EDUCATION AGENCY FOR ADULT EDUCATION FOR THE 1980-81 BIENNIUM.
- . THE TEXAS EDUCATION AGENCY SHOULD CONTINUE TO DEVELOP ADULT BILINGUAL EDUCATION PROGRAMS PARTICULARLY IN SOUTH TEXAS DURING THE 1980-81 BIENNIUM.
- . THE TEXAS EDUCATION AGENCY SHOULD CONTINUE TO PURSUE IDENTIFICATION OF THE REQUIREMENTS FOR CERTIFICATION OF ADULT EDUCATION TEACHERS BY 1980.

Summary: The low level of educational attainment in South Texas is apparently a result of the exceptionally high dropout rate of middle school (grades 6-8) and high school students. Though the reasons for so many students quitting school before graduation are not well understood, many educators in South Texas believe students quit school to go to work to help their families or because they see no relationship between academic education and preparation for employment.

The effects of the low educational attainment and the high rate of school dropouts upon South Texas is devastating. Without education--particularly vocational skill training--South Texas cannot adequately attract the industries that will economically develop the region, thereby lessening the grip of poverty on many South Texas families. Moreover, the lack of educational attainment coupled with poverty inhibits South Texans from participating in popular government, the result of which is that these people frequently do not receive the city, state, and federal services they require and are due. Finally, the lack of educational attainment and the high rate of school dropouts almost ensures that the State of Texas will partially acquire the financial responsibility for subsequently training the dropouts, making available various welfare payments, and expanding correctional facilities to resocialize many dropouts. In short, the State can economize by working to alleviate the problems in education.

Recommendation:

- . THE TEXAS EDUCATION AGENCY SHOULD SEEK FEDERAL FUNDS TO CONDUCT A DETAILED STUDY ON: (1) THE EFFECTS OF BILINGUAL EDUCATION ON IMPROVING THE EDUCATION OF MEXICAN-AMERICAN STUDENTS, (2) THE EFFECTS OF SKILL TRAINING ON RETAINING STUDENTS IN SCHOOL, AND (3) THE EFFECTS OF SKILL TRAINING AS AN ATTRACTANT OF INDUSTRY.

FOOTNOTES

¹U.S. Department of Commerce, Bureau of the Census, General Social and Economic Characteristics, 1970 Census of Population, PC (1)-C45 (Washington, D.C.: U.S. Government Printing Office), pp. 431 and 928-949.

²Sam Schulman, J. Earl Williams, et al., Mexican American Youth and Vocational Education in Texas (Houston, Texas: Center for Human Resources, University of Houston, 1974), pp. 20-21.

³U.S. Department of Commerce, General Social and Economic Characteristics, pp. 1086-1102.

⁴U.S. Commission on Civil Rights, Toward Quality Education for Mexican Americans, Report VI: Mexican American Education Study (Washington, D.C.: February, 1974), p. 1.

⁵Texas Education Agency, "Enrollments by School District by County for the 1974-75 and 197-78 School Term," Austin, Texas, September, 1978. (Microfiche)

⁶Hilda Garena, interview held on Alternative Schools at Mercedes Junior High School, Mercedes, Texas, November, 1978.

⁷Texas Education Agency, The Five-Year and Annual Programs Plans for the Administration of Vocational Education in Texas for Fiscal Years Beginning October 1, 1977 and Ending September 30, 1982 (Austin, Texas, 1977), p. 78.

⁸Texas Education Agency, unpublished information on dropout prevention projects funded under Title IV, Part C, of the Elementary and Secondary Education Act, Austin, Texas, January, 1978.

⁹Corpus Christi Independent School District, pamphlet on the Alternative Education Center in Corpus Christi, Corpus Christi, Texas, February, 1978.

¹⁰Jimmie L. Todd, Principal, telephone interview held on Corpus Christi's Alternative Education Center, Austin, Texas, March 9, 1978.

¹¹Texas Education Agency, Memorandum to Budget Review Committee from Mr. Ernest Perez (Austin, Texas, May, 1978).

¹²Intercultural Development Research and Associates, "A Better Way of Learning English," IDRA Newsletter, November, 1978, p. 5.

¹³Texas Education Agency, interview with Mr. Ernest Perez and staff of the Bilingual Education Division, Austin, Texas, November, 1978.

¹⁴U.S. Commission on Civil Rights, Toward Quality Education for Mexican Americans, p. 72.

¹⁵Walter Rambo, interview held on career education in Texas, Austin, Texas, February, 1978.

¹⁶U.S. Commission on Civil Rights, Toward Quality Education for Mexican Americans, pp. 35 and 75.

¹⁷Advisory Council for Technical-Vocational Education, Vocational Education...Gateway to the Future, 7th Annual Report (Two Parts, Austin, Texas, 1976), Part One, p. 1-10.

¹⁸John Guemple, personal interview held on the vocational education budget in Austin, Texas, October, 1978.

¹⁹Texas Education Agency, The Five Year and Annual Programs Plans for the Administration of Vocational Education.

²⁰Texas Education Agency, personal interviews with selected staff held on the vocational education budget in Austin, Texas, August-October, 1978.

²¹Texas Education Agency, "Guide for Public Schools in Planning Programs of Occupational Education for In-School Students" (Austin, Texas), p. 17.

²²Texas Education Agency, "Contract Instruction Independent School Districts: 1977-78" (Austin, Texas).

²³U.S. Department of Commerce, Bureau of the Census, Characteristics of the Population, 1970 Census of Population, U.S. Government Printing Office, Washington, D.C.

²⁴Texas Education Agency, interviews held on vocational education programs for disadvantaged students with the Division of Occupational Education and Technology, August-October, 1978.

²⁵Ibid.

²⁶Texas Education Agency, Public School Vocational Units Funded Through Foundation Program (Austin, Texas, November, 1977).

²⁷Texas Education Agency, Handbook for a Parent-School-Community Involvement Program (Austin, Texas, January, 1974), pp. 1-4.

²⁸U.S. Department of Commerce, General Social and Economic Characteristics, pp. 928-949.

²⁹Texas Education Agency, Texas State Plan for Adult Education for Fiscal Year 1979 (Austin, Texas, May, 1978), p. 4.

³⁰Greater South Texas Cultural Basin Commission, Report to the Texas Education Agency (Austin, Texas, 1975), p. 10 and Exhibit II.

³¹Ralph Mock, telephone interview held on adult education services in South Texas, Austin, Texas, February, 1978.

³²U.S. Department of Commerce, General Social and Economic Characteristics, pp. 1086-1102.

³³Schulman, Mexican American Youth, pp. 20-21.

³⁴Sixty-fifth Legislature, H.B. 510, 1977.

³⁵Texas Education Agency, Texas State Plan for Adult Education, p. 16,

³⁶Bob Allen, telephone interview held on the Texas Education Agency's request for funds for the 1980-81 biennium, Austin, Texas, January 4, 1979.

³⁷Texas Education Agency, Texas State Plan for Adult Education, p. 50.

³⁸Bob Allen, telephone interview held on the requirements for certification of adult education teachers, Austin, Texas, December 5, 1978.

EMPLOYMENT/MANPOWER

The Basin continues to have high unemployment. The area has experienced higher unemployment rates than the rest of the State during the 1970's, particularly in recent years. The statewide unemployment rate was 5.4 percent in 1977,¹ while the five Standard Metropolitan Statistical Areas (SMSAs) in the Basin were experiencing considerably higher unemployment rates during the same period, as reflected by a high average of 14.3 percent unemployment in the Laredo SMSA and a low of 6.9 percent in the Corpus Christi SMSA.² Between May and September of 1978, the average monthly unemployment rate in the Basin was 7.2 percent and the average monthly number of unemployed persons was 64,875. During the same period, the State's average monthly unemployment rate was 5.0 percent.³ Several means to decrease unemployment in the Basin require the enhancement of the following services: (1) development of more Texas Employment Commission (TEC) services, (2) expansion of the Industrial Start-Up Training Program, (3) more comprehensive coordination of CETA programs with public and private service agencies, and (4) broader daycare services.

1. Employment and Services. The Texas Employment Commission (TEC) provides employment programs and services, an unemployment insurance program, and employment and unemployment data, analysis and research. The purpose is to promote the well-being of the people in the labor force, serve employers, and encourage optimum utilization of manpower resources to reach maximum employment.⁴ The TEC carries out its responsibilities through ten district offices and their local offices, and provides services to all labor force members that are United States' citizens or legal residents in Texas.

There are two TEC district offices within the Basin, one in Corpus Christi and the other in San Antonio. There are an additional 46 offices in the Basin which serve its 1973 estimated population of 2,117,000. These 46 offices are TEC and CETA-funded offices and are concentrated in the principal cities which contain the majority of the Basin's population.

Presently, the full-service TEC offices are located in the major cities in the Basin, and limited services are available in many of the smaller cities. It is the offices in these smaller cities located in counties with large numbers of unemployed that need a broader range of services and more full-time staff. Chart A lists some of these communities which are approximately more than 20 miles from a full service office.

The ability of TEC to expand its services to the smaller cities depends in large part upon the availability of additional federal funds. In 1977, TEC upgraded its Kingsville and Del Rio offices to full service offices. The statistics in Chart A justify upgraded services in Rio Grande City, Sinton, Seguin, Alice, and New Braunfels. In addition, all these cities, except Alice, are in areas with high rates of youth unemployment.⁵ Rio Grande City is also situated in an area with persistent unemployment.⁶

Chart A

LIMITED-SERVICE TEC OFFICES

City	County	County Unemployment Rate		Number of Unemployed	
		Aug.	Sept.	Aug.	Sept.
Alice	Jim Wells	4.7	4.6	567	557
Falfurrias	Brooks	5.6	6.1	143	158
Floresville	Wilson	4.0	3.3	196	163
Hondo	Medina	4.6	3.9	390	332
Jourdanton & Poteet	Atascosa	4.5	4.0	356	319
Kenedy-Karnes City	Karnes	4.1	3.8	229	216
Kerrville	Kerr	1.3	1.7	125	161
New Braunfels	Comal	6.8	5.8	803	675
Seguin	Guadalupe	6.8	6.0	1,087	941
Sinton	San Patricio	4.3	4.6	916	977
Rio Grande City	Starr	19.5	21.2	1,178	1,359

Source: Texas Employment Commission, 1978

Recommendations:

- THE U.S. DEPARTMENT OF LABOR SHOULD INCREASE FUNDING OF THE TEXAS EMPLOYMENT COMMISSION, NOT ONLY TO PROVIDE THE PRESENT EMPLOYMENT SERVICES IN THE BASIN, BUT TO EXPAND THOSE AT LIMITED-SERVICE OFFICES.
- AS FEDERAL FUNDS BECOME AVAILABLE, THE TEXAS EMPLOYMENT COMMISSION SHOULD EXPAND THE SCOPE OF SERVICES AT EXISTING OFFICES IN SMALL CITIES LOCATED IN COUNTIES WITH HIGH UNEMPLOYMENT. PRIORITY SHOULD BE GIVEN TO RIO GRANDE CITY, SINTON, SEGUIN, ALICE, AND NEW BRAUNFELS.

2. Industrial Start-Up Training. The decision of an industry to expand or relocate is based on the cost versus the benefits of such a move. Other than the cost of raw materials, the single largest cost to manufacturers, and thus to the consumer, is that of labor. A company would recoup none of its investment in machinery and buildings were it not for its investment in a trained labor force.⁷

Texas' high rate of labor productivity is a drawing card to out-of-state industry. The Bureau of the Census, U.S. Department of Commerce, in the 1972 Census of Manufacturers found that Texas workers added \$4.07 to the value of the products they make for every dollar they are paid. the national average

for value added per production worker per wage dollar was \$3.35. This fact added to the attractive industrial start-up training program is an incentive for industries to locate in Texas.

Presently, the Industrial Start-Up Training Program, a cooperative venture by the Texas Education Agency (TEA) and the Texas Industrial Commission (TIC), provides occupational training to equip Texans with the requisite skills to qualify for industrial job opportunities created by new or expanding industries. This labor development program has the following advantages:

- It provides training to Texans, thereby improving the skills of the labor force.
- It provides jobs in which to employ these new skills, since training is only offered where new jobs are created.
- It captures the benefits of this training for the Basin by eliminating out-migration of trained persons to jobs in other areas.
- It provides Texas industries with qualified employees to promote the State's growth and further industrial expansion.
- It is economical because the basic training facilities (junior colleges, high schools, and technical institutes) are already part of the State's fixed costs.⁸

The Industrial Start-Up Training Program has worked well in Texas. The Texas Legislature appropriated \$1 million during the 1976-77 biennium, and about 12,000 people were trained through the program for identified jobs in new or expanding industries in Texas. But only seven industries utilizing this program located in the Basin. These industries generated 1,234 new jobs, \$316,192 in State and local taxes, and a total annual economic impact of \$35,207,390. The total funds expended in the Basin for this program amounted to \$46,900 or 4.6 percent of the \$1 million appropriated for the 1976-77 biennium.⁹ (See Chart B.)

For the 1978-79 biennium, the Texas Legislature appropriated \$1.8 million for the Industrial Start-Up Training Program to train about 18,000 people. Currently five companies utilizing the program have located in the Basin, generating 811 jobs, \$458,782 in State and local taxes, and a total annual economic impact of \$56,606,679 (See Chart C.) These 811 jobs represent 32 percent of last year's objective to train 2500 persons through the program during the 1978-79 biennium. To date, all of the \$900,000 for fiscal year 1978 has been committed to industries, but only \$39,900 or 3.7 percent has been committed to industries locating in the Basin.

Chart B

INDUSTRIAL START-UP TRAINING PROGRAM
IN THE GREATER SOUTH TEXAS CULTURAL BASIN, 1976-77

Location	Company	Total Employment Generated	Funds Committed	Annual New Taxes Generated		Annual Economic Impact on Economy
				State	Local	
Brownsville	Norton Company	490	\$ 26,200	\$ 57,058	\$ 66,106	\$ 14,917,514
Aransas Pass	Blue Sea, Inc.	45	1,700	4,240	4,240	1,782,918
San Antonio	Jerell-San Antonio Dress Co.	213	6,000	14,579	16,682	4,117,539
San Antonio	Santone	284	7,500	19,438	22,242	5,490,052
Bishop	Virginia Chemical Co.	118	2,000	50,189	33,078	6,626,147
Aransas Pass	Gulf-King	50	1,500	7,430	8,593	1,454,507
Laredo	Tell-Her	34	2,000	5,057	3,867	818,713
TOTAL	7 Companies	1,234	\$ 46,900	\$157,991	\$158,201	\$ 35,207,390

SOURCE: Texas Industrial Commission

Chart C

INDUSTRIAL START-UP TRAINING PROGRAM
IN THE GREATER SOUTH TEXAS CULTURAL BASIN, 1978

Location	Company	Total Employment Generated	Funds Committed	Annual New Taxes Generated		Annual Economic Impact on Economy
				State	Local	
Brownsville	Poly Top Texas Inc.	111	\$ 3,000	\$ 24,645	\$ 18,511	\$ 4,596,384
Harlingen	William Carter Co.	465	10,000	68,962	52,737	11,164,274
McAllen	Reynolds Research	55	3,000	10,124	7,065	1,815,641
New Braun- fels	Couroy	120	11,900	70,930	42,511	19,592,686
Kingsville	Entronic Corp.	60	5,000	92,601	70,696	19,437,694
TOTAL	5 Companies	811	\$ 32,900	\$267,262	\$191,520	\$56,606,679

SOURCE: Texas Industrial Commission

It is apparent that cities in the Basin are not successfully competing with cities outside the Basin in attracting industry. South Texas is the most economically depressed area in the State and had 11 counties with 8 percent or greater unemployment between May and September, 1978;¹¹ yet, only five industries have located in these Basin counties with high unemployment since September 1975.¹² A pilot project with industrial start-up training funds for industries locating in high unemployment counties should be tested during the 1980-81 biennium.

It is also apparent that the tremendous, positive impact of this program is desperately needed in the Basin. The Basin's labor force is large and young, and they want to work. The 65,893 unemployed persons in the Basin in September 1978, indicate there is sufficient manpower to support industrial development;¹³ however, this labor pool is characterized by low educational level of 7.2 years, and only 17.1 percent of the Spanish surnamed males and 12.5 percent of the Spanish-surnamed females between the ages of 16 and 64 had received vocational training.¹⁴ Therefore, providing Basin residents with skills training through the industrial start-up training program can reduce unemployment and improve the quality of life.

Recommendations:

- THE LEGISLATURE SHOULD APPROPRIATE \$3 MILLION FOR THE 1980-81 BIENNIUM TO EXPAND THE INDUSTRIAL START-UP TRAINING PROGRAM ADMINISTERED BY THE TEXAS EDUCATION AGENCY AND THE TEXAS INDUSTRIAL COMMISSION.
- THE LEGISLATURE SHOULD ALSO APPROPRIATE \$200,000 FOR THE 1980-81 BIENNIUM TO THE INDUSTRIAL START-UP TRAINING PROGRAM ADMINISTERED BY THE TEXAS EDUCATION AGENCY AND THE TEXAS INDUSTRIAL COMMISSION TO PROVIDE TRAINING SERVICES EXCLUSIVELY IN COUNTIES WITH UNEMPLOYMENT RATES HIGHER THAN THE NATIONAL RATE.

3. CETA Program Coordination. The Basin has had higher unemployment rates than the rest of the State during the 1970's, particularly in recent years. Between May and September of 1978, the average monthly unemployment rate in the Basin was 7.2 percent, while the unemployment rate in the State was about 5.0 percent.¹⁵ The anticipated unemployment rates for December, 1978 in the Standard Metropolitan Statistical Areas (SMSAs) in the Basin ranged from a low of 5.4 percent in the San Antonio SMSA to a high of 14.7 percent in the McAllen-Pharr-Edinburg SMSA.¹⁶

People are the Basin's greatest resource. The high unemployment rates indicate there is sufficient manpower to support industrial development; however, this labor pool is characterized by low educational attainment levels and a lack of salable skills. In 1970, there were 551,066 adults 25 years of age and over who had less than a high school education; this represented 58.5 percent of the Basin's population 25 years of age and over.¹⁷ Moreover, the median educational attainment level of Spanish-surnamed persons in Texas 25 years of age and over was only 7.2 years, as compared to a statewide median of 11.6 years.¹⁸

The result of these problems is that many unskilled persons in the Basin cannot take advantage of job training without first improving their educational skills. The focus, therefore, should be on utilizing the region's existing man-power program and educational resources to upgrade the skills of the labor force and to raise educational attainment levels in the Basin.

In the Basin, there are five prime sponsors which receive funds to plan and provide job training in 28 counties. The remaining 12 counties are "balance of state" counties and are served by the Texas Department of Community Affairs (TDCA). Under the various titles of the Comprehensive Employment and Training Act (CETA), other prime sponsors receive CETA funds to provide training and employment opportunities to special target populations such as migrants. Most of these prime sponsors receive funding directly from the U.S. Department of Labor (DOL).¹⁹

During fiscal year 1978, over 25,579 people in the Basin were provided with job training and employment opportunities by the five major prime sponsors and TDCA under Titles I, II, and VI. Approximately 7,600 people were placed in unsubsidized jobs during the same period. The allocations under the different titles of CETA for fiscal 1978 are approximately \$77.5 million.²⁰ This figure includes funds under Title I, II, and VI of CETA, but does not include the employment of youth under the summer program. The figure also includes funds for Youth Community Conservation and Improvement Projects and Youth Employment and Training Programs under the Youth Employment and Demonstration Projects Act of 1977.

Manpower planning and development programs are a vital component to upgrading the quality of life of the residents in the Basin. Even though unemployment has been reduced considerably statewide, the Basin continues to have high unemployment. Therefore, the need for manpower training still is great when one considers over 65,000 persons were unemployed during September, 1978.²¹

Finally, coordinating the activities of adult education co-ops and CETA manpower programs can result in the effective utilization of both programs' resources to upgrade the educational and job skills of adults, thereby enhancing their employability. Furthermore, by coordinating CETA programs with the training demands of new or expanding industries, CETA funds can be more effectively utilized for on-the-job training, which allows individuals to earn money while being trained for identified jobs.

Recommendations:

- THE U.S. CONGRESS SHOULD CONTINUE TO APPROPRIATE FUNDS TO THE U.S. DEPARTMENT OF LABOR UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT TO PROVIDE JOB TRAINING AND EMPLOYMENT OPPORTUNITIES TO THE NATION'S ECONOMICALLY DISADVANTAGED, UNEMPLOYED, AND UNDEREMPLOYED POPULATION.
- PRIME SPONSORS AND CETA-FUNDED OPERATORS SHOULD CLOSELY COORDINATE THEIR MANPOWER PROGRAMS WITH BUSINESS, INDUSTRY, ADULT EDUCATION CO-OPS, EDUCATIONAL INSTITUTIONS, ECONOMIC DEVELOPMENT

ORGANIZATIONS, THE TEXAS DEPARTMENT OF HUMAN RESOURCES,
AND OTHER AFFECTED HUMAN RESOURCE AGENCIES.

4. Day Care. In their regional human resource plans, all five councils of governments in the Basin identified a need for day care services in their regions. Many families, particularly those where both parents work and those with only one parent, depend on day care institutions to take care of their children while they are working. Most parents can afford the cost of day care services for their children, but some need free or low-cost day care.²²

The majority of day care institutions provide supervised care for pre-school children under six years of age although many of them provide after-school care for children over six years of age. In 1970, there were 233,690 children five years of age and under in the Basin who represented 11.9 percent of the Basin's total population.²³ Using 1976 Bureau of the Census population provisional estimates and assuming the percentage of children under five years of age has remained the same, there were an estimated 262,264 children five years of age and under in the Basin in 1976.²⁴ A review of the 1970 census and the 1976 population estimates shows that the Basin's population is increasing. As the population increases, the number of children under five years of age is expected to increase as well.

Currently, there are over 10,000 licensed child care facilities in Texas. These include day care centers, day homes, and other special facilities.²⁵ There are 464 licensed day care centers in the Basin with a total capacity for 30,434 children. There are an additional 549 licensed facilities such as kindergartens, nurseries, and family day homes in the Basin with a total capacity for 10,847 children.²⁶

Day care services are provided by non-profit day care centers, commercial care centers, special care facilities, and family day homes. Many of the non-profit day care centers and special care facilities are funded through federal or a combination of federal and local sources. Commercial care centers operate on a fee-for-service basis. In addition, the Texas Department of Human Resources contracts with non-profit day care centers and commercial care centers for free or low-cost day care services funded through a combination of federal, state and local monies.²⁷

In fiscal 1978, TDHR provided day care services to about 16,900 children at a combined federal, state, and local cost of \$31.9 million. During fiscal 1979, the TDHR will provide day care services to about 15,400 children at a combined cost of \$32.9 million. For the 1980-81 biennium TDHR has requested \$97.6 million, \$46.7 million in 1980 and \$50.9 million in 1981. These sums are expected to serve 18,935 and 18,840 children in 1980 and 1981 respectively. The Legislative Budget Board (LBB) however, has recommended only \$30.6 million and \$30.7 million respectively for 1980 and 1981.

The LBB expects the federal government to supplement day care services in Texas with an additional \$11 million or \$12 million per year during the biennium. In the event the federal government does make the money available to Texas and the Legislature adopts the LBB's recommendation, about 18,500 children will be served in 1980 and 18,550 in 1981. In the event Texas does

not receive additional federal funds for day care services and the Legislature adopts the LBB's recommendation, less than 14,000 children will be served annually during the 1980-81 biennium.²⁸ In any event, the number of children receiving day care services will be less than the high of 19,500 in 1977. This continued reduction of day care services will force working parents in need of free or low-cost day care to either find another source of care for their children or give up badly needed jobs.

Recommendations:

- . THE U.S. CONGRESS SHOULD CONTINUE TO APPROPRIATE FUNDS TO THE U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE TO PROVIDE DAY CARE SERVICES TO NEEDY CHILDREN.
- . THE LEGISLATURE SHOULD APPROPRIATE FUNDS TO THE TEXAS DEPARTMENT OF HUMAN RESOURCES TO PROVIDE DAY CARE SERVICES TO A MINIMUM OF 19,500 CHILDREN FOR EACH YEAR OF THE 1980-1981 BIENNIUM.

FOOTNOTES

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³Texas Employment Commission, "Labor Force Estimates for Texas Counties," Austin, Texas, May-September, 1978.

⁴Texas Advisory Commission on Intergovernmental Relations, Handbook of Governments in Austin (Austin, Texas, 1973), p. 263.

⁵Texas Education Agency, 1979 Update: Amendment to the Five-Year and Annual Programs Plans for the Administration of Vocational Education 1978-1982 (Austin, Texas, 1978) p. 15.

⁶Ibid.

⁷Texas Industrial Commission, Industry-Sponsored Child Care: A Question of Productivity (Austin, Texas, 1977), pp. 2-3.

⁸Greater South Texas Cultural Basin Commission, Report to the Governor and Legislature, 1974 (Austin, Texas, 1975), p. 27.

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¹⁰Ibid.

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¹⁴Sam Schulman, J. Earl Williams, et. al., Mexican American Youth and Vocational Education in Texas (Houston, Texas: Center for Human Resources University of Houston, 1974), pp. 20-21.

¹⁵Texas Employment Commission, "Labor Force Estimates," May-September, 1978.

¹⁶Texas Employment Commission, "Manpower Trends," Austin, Texas, October, 1978.

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¹⁸Schulman, Mexican American Youth, pp. 20-21.

¹⁹Comprehensive Employment and Training Act (CETA) of 1973, 87 STAT. 839 (1973).

²⁰Alamo Manpower, Cameron County, Coastal Bend, Webb County, and Hidalgo-Willacy Counties Prime Sponsors, telephone interviews held on CETA services and funds under Titles I, II, and VI, Austin, Texas, December, 22, 1978.

²¹Texas Employment Commission, "Labor Force Estimates," September, 1978.

²²State Department of Public Welfare (now Texas Department of Human Resources), Annual Report, 1975 (Austin, Texas, 1975), p. 11.

²³U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population (Washington, D.C.: U.S. Government Printing Office).

²⁴U.S. Department of Commerce, Bureau of the Census, "Current Population Reports, July 1, 1975 (Revised), and 1976 (Provisional)," (Washington, D.C.: U.S. Government Printing Office).

²⁵State Department of Public Welfare (now Texas Department of Human Resources), Annual Report, 1976 (Austin, Texas, 1976), p. 13.

²⁶Texas Department of Human Resources, "SE 110-01 and 02: Program 8, Licensing Activities Status 2,4, & 9 by Facility Source Support, and Capacity," (Austin, Texas, August 31, 1978).

²⁷Department of Public Welfare, Annual Report, 1975, p. 11.

²⁸Texas Department of Human Resources, interview with Quentin Woomer held on the Texas Department of Human Resources' budget request for day care services, Austin, Texas, January, 1979.

HEALTH

One of the problems confronting the people of South Texas is the inaccessibility of health care. This is also a national problem but it is intensified in the Basin when considered along with other Basin problems such as a low educational attainment and high rates of unemployment.

Each of the five South Texas councils of governments (COGs) recognized and addressed health care problems. In some cases, specific health needs were examined. While there were many needs identified in this functional area, special emphasis was placed on the needs receiving the highest priority.

The need for physicians and dentists received the highest priority. Other health needs such as allied health manpower, health facilities, and medical care were identified but were mentioned less frequently. In many of these cases, the present level of services appeared to be meeting the need or there was insufficient information to analyze or verify a preliminary finding.

1. Physicians. The shortage of health manpower is a serious problem in the Basin, particularly the shortage or maldistribution of primary care physicians and dentists. Four of the five COGs identified this problem in their human resource plans. The American Medical Association (AMA) has suggested a ratio of one physician to 556 population in order to assure adequate medical care.¹ In 1973, Texas' physician to population ratio was 1:755. The Basin's ratio for the same year was 1:910. The Basin had 17.9 percent of the State's 1973 population but only 14.9 percent of the State's physicians. Kerr County, with a physician to population ratio of 1:536, was the only Basin county which met the AMA standard. By comparison, some of the worst ratios in the Basin were Bandera County (1:5,800), Frio County (1:5,500), Starr County (1:4,900), and Zapata County (1:4,600). There were also three counties--Kenedy, McMullen, and Kinney--which had no physicians.²

Another indicator of the physician shortage was the Public Health Service's (PHS) designation of Critical Health Manpower Shortage Areas. They recommended in 1975 that counties with a physician/population ratio of 1:4,000 or less could be designated a critical shortage area and thus be eligible for assignment of National Health Service Corps personnel. The following Basin counties or portion of counties were designated: Atascosa, Bandera, Frio, Jim Hogg, Kinney, Maverick, Starr, Zapata, Cameron-Willacy--the Harlingen-Raymondville medical service area, and Hidalgo--the Elsa-Edcouch-La Villa medical service area. The designation of these counties was withdrawn on May 27, 1975, but it is still useful in revealing the Basin's critical physician shortage.³ PHS physicians were assigned for two years (1977 and 1978) to Poteet in Atascosa County, Hebbronville in Jim Hogg County, and Crystal City in Zavala County.⁴ This is temporarily alleviating the critical shortage in these counties; it is not a permanent solution.

There is a maldistribution as well as a shortage of physicians in the Basin. Chart 7 is a list of medically underserved areas in the Basin. Thirty-four of the 40 counties in the Basin have been designated by the U.S. Department of Health, Education, and Welfare as medically underserved areas. This includes 26 entire counties and portions of 8 other counties. Most of the health manpower and facilities in the forty-county Basin are concentrated in the metropolitan areas. Most of the Basin's physicians are concentrated

in the metropolitan areas of Bexar and Nueces counties. The 1975 Bureau of the Census provisional population estimates indicate that 80 percent of the Basin's 2.2 million people reside in 8 metropolitan counties.⁵ And more than 80 percent of the health manpower is also located in the 8 metropolitan counties. These 8 metropolitan counties have 90.5 percent of the Basin's physicians, 87.3 percent of the dentists, and 86.3 percent of the nurses.⁶ Thus, it may be argued that health manpower and facilities are located in areas of greatest need. But such an argument does nothing to alleviate the needs of the 20 percent of the Basin's population--or 440,000 people--who reside in the 32 non-metropolitan counties.

The physician shortage had not improved by 1976. Texas' physician to population ratio was 1:840. The Basin's ratio for the same year was 1:948. Kerr County with a physician to population ratio of 1:533 was the only Basin county which met the AMA standard. By comparison some of the worst ratios in the Basin were La Salle County (1:5500), Zapata County (1:5200), Atascosa County (1:4040), Dimmit County (1:3667), Starr County (1:3653), and Medina County (1:3617). There were also now four counties--McMullen, Kinney, Real and Kenedy--which had no physician (see Table 13).⁷

The physician shortage is even more severe since many physicians, particularly those in rural areas, are at or near retirement age. For example, 20 percent of the practicing physicians in the South Texas State Planning Region were between the ages of 60 and 70 in 1974.⁸ There is little chance of recruiting replacements. A rural physician must often work long hours. Limited opportunities for continuing education, isolation from colleagues, and fewer cultural, recreational, and educational opportunities for the professional's family also deter physicians from practicing in rural areas. Also, small communities or counties lack the necessary resources to support the modern technology and facilities characteristic of larger urban medical centers which offer attractive and prestigious medical practices.⁹

The Texas Coordinating Board in a recent study reported: "Health professionals tend to remain where they are at the conclusion of their formal education or to return to places where they have lived previously. Research studies have shown that one of the greater determinants in selecting a practice location is the final site of graduate study."¹⁰ Therefore rural professional shortages might be alleviated by providing rural residency programs and by selecting rural students for professional schools.

Since 53.5 percent of the Basin's 1970 population was Spanish-surnamed, it is reasonable to assume that a large percentage of potential rural applicants for professional schools are Mexican-American. There has been a serious underrepresentation of minority students in Texas professional schools. The Mexican-American enrollment in Texas medical schools was 4.1 percent of the total 1973-74 enrollment. The Black enrollment was 2.3 percent for the same year.¹¹ The minority enrollment in Texas medical schools for the 1976-77 school year had improved. The Spanish-surnamed enrollment was 8.3 percent and the Black enrollment was 2.6 percent (see Table 12, Appendix B).¹² Many reasons are given to explain the shortage of minority professional students. These include the lack of family encouragement and role models, inadequate counseling services, less promising educational credentials to professional school selection committee, the high cost of pursuing a professional education, and high attrition rates among undergraduate minority students. And,

finally, the competition for academically talented minority graduates is nationwide. Out-of-state schools frequently offer generous scholarships to competent Texas minority students who will often practice where they study.¹³

The Coordinating Board cited inadequate counseling services as one of the reasons for the shortage of minority medical students. All public school counselors should be aware of the present and future job opportunities in the health field in order to inform and direct students into health-related careers. Not only are more minority physicians and dentists needed, but there is an increasing demand for allied health personnel. Allied health occupations include nursing, therapy, pharmacy, radiology, and diagnostic services. The 1980 projections for allied health manpower in Texas indicate a 25 percent increase in personnel will be needed over the present number of 40,649 full-time employees.¹⁴ Moreover, the projected average annual job openings in health occupations in Texas between 1976-85 will be for 14,559 workers, while the projected annual average supply of health personnel will be 13,771 for the same period.¹⁵

Another complicating factor in meeting the Basin's health manpower needs is the distribution of physician specialists. There is an urgent need for primary care physicians. Primary care includes general practice, family practice, internal medicine, pediatrics, and obstetrics and gynecology. In spite of the urgent need for primary care, more and more professional students are entering specialty fields. Medical education and the present fee-for-service system encourage specialty practice. The trends in Texas indicate that the number of primary care physicians has increased but the percentage has steadily decreased.¹⁶ Since Texas is not producing the needed numbers of primary care physicians, the nature and relevancy of current medical programs should be re-examined. According to the Coordinating Board's study, "The most practical way to influence directly the numbers of specialists at the State level is to influence graduate training opportunities. Expanding those related to primary care is required. Curtailing or expanding to a lesser degree other specialties appears desirable."¹⁷

The State Rural Medical Education Board was established by the 63rd Legislature to provide loans to medical students who agree to practice in rural areas (defined as counties with a population of 25,000 or less). The Board received an appropriation of \$100,000 for loans for each year of the 1976-77 biennium. In addition, they received an emergency appropriation of \$130,000 in the spring of 1977. Currently there are 92 students receiving loans. In order to apply for a loan a student must be admitted to a medical school and must also be a Texas resident. The 65th Legislature passed an amendment which allowed Texans attending foreign medical schools to participate in the program. Nineteen of the 92 students receiving loans are attending medical schools in Mexico (see Chart 8).

Under the loan program, the student agrees to practice in a rural area for five years. The student may delay rural practice for a reasonable amount of time in order to do advanced study, generally no longer than four years. Ten students who participated in the program were graduated 1977 and are currently in family practice residencies. Ten more students graduated in May, 1978; many are seeking further training. Thus, the loan program will begin to place physicians in rural counties in another three years.

The student will have 20 percent of the loans (plus five percent interest) cancelled or "forgiven" for each year of service in a rural area. Thus, the student may retire the entire indebtedness by practicing the full five years in a rural area. The student may also fulfill the obligation by serving two years in a rural area and then repaying the remaining 60 percent of the loan plus the interest. If the student fails to serve a minimum of two years in a rural area, the entire loan is due plus interest, plus a ten percent penalty, plus court costs (if applicable).¹⁸

The State Rural Medical Education Board requested \$1.2 million for the 1978-79 biennium to provide loans for 94 students during the first year and for 169 students for the second year. They received an appropriation of \$567,500 for the biennium. A larger appropriation is needed in the 1980-81 biennium to increase the number of medical students who would practice in rural areas.

Recommendations:

- . THE LEGISLATURE SHOULD APPROPRIATE AT LEAST \$1.2 MILLION FOR THE 1980-81 BIENNIUM TO THE STATE RURAL MEDICAL EDUCATION BOARD TO PROVIDE LOANS FOR MEDICAL STUDENTS WHO AGREE TO PRACTICE IN RURAL AREAS.
- . THE TEXAS EDUCATION AGENCY AND LOCAL SCHOOL DISTRICTS SHOULD INCREASE COUNSELING AND OTHER PROGRAMS TO PROMOTE HEALTH CAREERS, ESPECIALLY AMONG MINORITY STUDENTS AND STUDENTS FROM RURAL AREAS.

2. Dentists. There is a shortage of dentists in the Basin, particularly in the rural areas. The nature of the problem is similar to that of the physician problem previously discussed.

The State's dentist to population ratio was 1:2,433 in 1973. The Basin's ratio for the same year was 1:2,953. The Basin had 17.9 percent of the State's 1973 population but only 14.8 percent of the State's dentists. While seven Basin counties had ratios better than the State's total, there were nine counties that had no dentist. Some of the counties had severely low dentist to population ratios. Maverick (1:20,600), Willacy (1:16,300), and Zavala (1:11,500) counties with one dentist each had the worst ratios.¹⁹ By 1976 the overall situation had improved. The State dentist to population ratio was 1:2,330 and the Basin's ratio was 1:2,855. Six Basin counties still had no dentist, and population increases in counties with only one dentist resulted in ratios worse than 1973. Maverick (1:22,500), Starr (1:21,800), Frio (1:12,600), Duval (1:12,000), and Zavala (1:11,700) counties had the worst ratios (see Table 13).²⁰

The Public Health Service also set guidelines for critical shortage areas for dentists. A county with a dentist to population ratio of 1:5,000 or less was considered critical. In 1975, seven Basin counties and a portion of another county were identified: Atascosa, Bandera, Frio, Hidalgo, Jim Hogg, Starr, Willacy, and Maverick-Eagle Pass service area.²¹ Demand for dental care continues to increase while dentist to population ratios decrease. For example, the United States ratio in 1935 was 1:1,730; in 1970 it was about 1:2,100.²²

The Basin's dentists are also concentrated in the metropolitan areas of Bexar and Nueces counties. These counties contain 53 percent of the Basin's 1976 population and 71.1 percent of the Basin's dentists.²³ As was the case for physicians, we find more dentists nearing retirement age, underrepresentation of minorities, and greater numbers of dentists entering specialty practices. The Texas Dental Association (TDA) is trying to improve the distribution of dentists by informing graduating seniors of all areas of saturation and of greatest need. The TDA has also established a Council on Education and Health Resource Planning. However, no formal stand on establishing a State Dental Education Board has been taken by the Texas Dental Association.

Recommendation:

- THE LEGISLATURE SHOULD ESTABLISH A STATE DENTAL EDUCATION BOARD WITH THE AUTHORITY TO PROVIDE LOANS, GRANTS, OR SCHOLARSHIPS TO DENTAL STUDENTS IN THE PRIMARY CARE FIELD WHO AGREE TO PRACTICE IN RURAL AREAS.

FOOTNOTES

¹Coordinating Board, Texas College and University System, The Health of Texans: A Study of Medical and Dental Education 1974-1980 (Austin, Texas, 1974), p. 88.

²U.S. Department of Commerce, Bureau of the Census, "Current Population Reports, November, 1974," (Washington, D.C.: U.S. Government Printing Office), and Texas Department of Health Resources, Unpublished 1973 data on physicians and dentists.

³U.S. Department of Health, Education and Welfare, "Critical Health Manpower Shortage Area," Federal Register, XL, No. 38, February 25, 1975, p. 8156.

⁴U.S. Department of Health, Education, and Welfare, Region VI, "Doctors Assigned to 16 Underserved Areas," HEW Southwestern Focus, III, No. 4, August-November, 1976, p. 7.

⁵U.S. Department of Commerce, Bureau of the Census, Population Estimates and Projections, Series p. 25, No. 637, October, 1976 (Washington, D.C.: U.S. Government Printing Office).

⁶Texas Department of Health, Bureau of State Health Planning and Resource Development, Selected Health Data, Texas 1977, pp. 95-157.

⁷Texas Department of Health, Education, Bureau of State Health Planning and Resource Development, "Distribution of Selected Health Manpower for GSTCB Commission, by COG, by County" (Unpublished tables, Austin, 1978).

⁸Greater South Texas Cultural Basin Commission, Report to the Governor and Legislature, 1974 (Austin, Texas, 1975), p. 48.

⁹Ibid.

¹⁰Coordinating Board, The Health of Texans, p. 8.

¹¹Ibid., p. 140.

¹²Unpublished data, Coordinating Board (phone calls to Ms. Dean Herbst).

¹³Coordinating Board, The Health of Texans, pp. 39-43.

¹⁴Texas Hospital Association, Texas Medical Foundation, Regional Medical Program, Allied Health Manpower in Texas 1973 (Austin, Texas, 1973), p. 3.

¹⁵Advisory Council for Technical-Vocational Education in Texas, Vocational Education...Gateway to the Future, 7th Annual Report (Two Parts, Austin, Texas, 1976), Part One, pp. 6-8.

¹⁶Coordinating Board, The Health of Texans, p. 93.

¹⁷Ibid., p. 94.

¹⁸J.C. Randolph, telephone interview held on the State Rural Medical Education Board, Austin, Texas, February 2, 1978.

¹⁹Department of Commerce, "Current Population Reports, November, 1974," and Texas Department of Health Resources, Unpublished 1973 data.

²⁰Texas Department of Health, Bureau of State Health Planning and Resource Development, "Distribution of Selected Health Manpower for the Greater South Texas Cultural Basin Commission by COG, by County" (Unpublished tables, Austin, 1978).

²¹U.S. Department of Health, Education and Welfare, "Critical Health Manpower," p. 8156.

²²Coordinating Board, The Health of Texans, p. 100.

²³Texas Department of Health, Selected Health Data, Texas 1977, pp. 95-157.

HOUSING

The five South Texas councils of governments (COGs) in the Basin identified housing as a high priority in their regional human resource plans. The need for additional low and moderate income housing, rehabilitation funds, and housing information was frequently mentioned in the COGs' needs assessments.

A survey of housing in Texas conducted in 1971 revealed that a larger portion of Mexican-Americans and Blacks than Anglos lived in marginal or inferior housing.¹ This has a direct impact on the Basin because of its large Mexican-American population. The survey also showed that Mexican-American families have lower incomes than Anglo families,² which accounts for the fact that 37 Basin counties have median home values less than the State's median home value of \$12,000.³

In 1970, there was a total of 537,298 occupied units in the Basin. Of these, 79,321 units were substandard,⁴ and 31,851 units were both substandard (lacking some or all plumbing facilities) and overcrowded.⁵

In 1975, there was a total cumulative requirement for 145,189 units to house the population in the Basin in standard units.⁶ Subtracting the total number of non-subsidized and subsidized additions to the housing stock between 1970 and 1975 determines the residual requirement for housing units in 1975. The total number of residual units required in 1975 was 5,587 units. But this figure is strictly a statistical one--total number of needed units minus total number of additions to housing supply--and does not take into account the type of home a family can afford. A review of individual counties identified an adjusted residual requirement for 24,324 units in the Basin in 1975.⁷ Furthermore, 102,367 new units will be required to house the Basin's population in standard units between 1975 and 1980.⁸

In 1970, there were 96,705 households in the Basin eligible for Section 8 subsidy assistance from the U.S. Department of Housing and Urban Development (HUD), and 45,402 households eligible for Farmers Home Administration (FmHA) subsidy assistance. Between 1970 and 1975, HUD provided subsidies to 20,307 households, and FmHA provided subsidies to 8,381 households. In 1975, there were still 113,419 households eligible for HUD or FmHA assistance.⁹

The GSTCB Commission has been working with the Texas Department of Community Affairs (TDCA) to increase the availability of decent housing in the Basin. In 1977, TDCA's Housing Division developed, coordinated, and presented one-day seminars in each of the five state planning regions in the Basin for the GSTCB Commission. These "Basic Housing Familiarization" seminars were followed by intensive training of individuals from the Basin interested in developing expertise in housing. These trained housing coordinators could then assist their organizations in making better use of available housing resources to meet their area's housing needs. The workshops were successful and 25 new coordinators were trained for a total of 36 in the Basin.¹⁰ The "Basin Housing Familiarization" seminars should be held on an annual basis in each of the five regions comprising the Basin. These should be followed by intensive training of individuals interested in developing expertise in housing.

The Texas Legislature passed the Texas Housing Rehabilitation Act during its 1977 session. The Act established a Texas Rehabilitation Loan Fund, but

no money was appropriated to operate the fund.¹¹ During the 1979 legislative session, the Legislature should appropriate funds to assist in the rehabilitation of substandard homes.

In 1977, the GSTCB Commission set an objective to increase the number of low and moderate-income housing units by 5000 units during the 1978-79 biennium. For fiscal year 1978, HUD has allocated \$6,905,228 for Section 8 housing programs in the Basin. Approximately 2500 units were built or rehabilitated with this allocation during 1978.¹² Because of inflation a larger allocation is required in 1979 to attain the housing objective. For the 1980-81 biennium the GSTCB Commission has set an objective that 5500 low and moderate-income housing units should be made available.

Recommendations:

- . CONGRESS SHOULD CONTINUE TO APPROPRIATE FUNDS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR SECTION 8 HOUSING PROGRAMS.
- . THE TEXAS DEPARTMENT OF COMMUNITY AFFAIRS SHOULD CONTINUE TO PROVIDE ONE-DAY HOUSING SEMINARS IN EACH OF THE FIVE STATE PLANNING REGIONS IN THE BASIN. THE SEMINARS SHOULD BE FOLLOWED BY THE INTENSIVE TRAINING OF INDIVIDUALS FROM THE BASIN INTERESTED IN DEVELOPING EXPERTISE IN HOUSING.
- . THE LEGISLATURE SHOULD APPROPRIATE \$2 MILLION TO THE TEXAS REHABILITATION LOAN FUND FOR THE 1980-81 BIENNIUM TO ALLOW THE TEXAS DEPARTMENT OF COMMUNITY AFFAIRS TO MAKE LOW INTEREST LOANS TO REHABILITATE HOMES.

FOOTNOTES

¹Office of the Governor and the Texas Department of Community Affairs, Texas Housing Report (Austin, Texas, 1972), p. 15.

²Ibid., pp. 22-24.

³U.S. Department of Commerce, Bureau of the Census, 1970 Census of Housing, General Housing Characteristics Texas, HC(1)-A45 (Washington, D.C.: U.S. Government Printing Office), pp. 7 and 164-167.

⁴Texas Department of Community Affairs, Texas State Housing Plan, Chapters: 3, 4, 5, 6, and 7, Draft (Austin, Texas, August, 1977), Tables 4.1 and 4.3

⁵Ibid., Table 4.4.

⁶Ibid., Table 4.1.

⁷Ibid., Table 4.2.

⁸Ibid., Table 4.1.

⁹Ibid., Tables 7.1 and 7.4.

¹⁰Texas Department of Community Affairs, unpublished material on rural housing coordinators, Austin, Texas, 1977.

¹¹Texas Department of Community Affairs, "Texas Housing Newsletter" (Austin, Texas, September-October, 1977), p. 1.

¹²Gene Kachtik, telephone interview held on Section 8 housing in South Texas, Austin, January 11, 1979.

TRANSPORTATION TO SOCIAL SERVICES

Transportation services to medical and social services are identified as a high priority in the regional human resource plans of the five South Texas councils of governments (COGs). Transportation services are needed by a large group of people not having access to medical and social services, particularly the indigent, handicapped, and aging. The problem is especially severe among these populations in the rural areas of the Basin.

The population of the Basin in 1970 was 1,958,370 and over 29 percent of the people were at or below the poverty level,¹ about 6 percent were handicapped,² and more than 8 percent were 65 years of age and over.³ Approximately 17.5 percent or 341,862 people resided in the rural areas of the Basin in 1970. The rural residents--particularly members of ethnic minorities--were more likely to suffer from poverty than were residents of urban areas. The age groups 0-14 and 60 and over constituted large portions of the rural poor.⁴ Furthermore, a significant number of handicapped individuals were located in rural counties, according to the 1973 handicapped population estimates by the Bureau of the Census.⁵

Population projections to the year 1980 indicate that Texas will have a total population of over 13 million. These same projections predict that the elderly and the handicapped will comprise 15 percent of the total population. Assuming that current Basin percentages of state totals do not change, there could be almost 317,000 people in the Basin by 1980 who are either elderly or handicapped.

The service inventories conducted by the five COGs revealed that many medical and social services are provided to the indigent, handicapped, and aging residents in the Basin, in both the urban and rural areas. The majority of these services is provided through local service units of major State agencies, community action agencies, and other local service providers. Several State agencies also provide limited services to rural areas through caseworkers on an itinerant schedule. These caseworkers often refer clients elsewhere in order to obtain the actual services. Occasionally, transportation is provided by the referring agency, but this is usually not the case. Often, clients are able to utilize transportation services from community action agencies, agencies providing transportation for the handicapped and aging, and other public and private transportation services. But usually both the clientele served and the geographic areas covered are limited. The result is that many eligible clients in the rural areas cannot use the needed medical and social services because they lack adequate transportation to get to them.

The service inventories also revealed the existence of many agencies that provide transportation services, but the clientele served and the geographic areas covered are limited by the programs' guidelines. Often, this results in the growth of parallel transportation systems serving only the indigent, handicapped, or aging populations. A review of Transportation Authorities in Federal Human Services Programs indicates there are 8 separate federal agencies which administer 30 different transportation-related programs.⁶ This current system at the federal level has encouraged the development of parallel transportation systems for select population groups.

Because of conflicting statutes and regulations, only limited coordination of existing transportation services is encouraged by funding agencies, making a solution to the Basin's transportation needs almost impossible. One program that encouraged coordination was the Rural Highway Public Transportation Demonstration Project (Section 147) operated by the U.S. Department of Transportation (DOT), Federal Highway Administration. The U.S. Congress has refunded this demonstration project. Through this program, monies are made available to eligible sponsors for demonstration projects proposing to merge existing transportation systems from the private sector, public sector, and social service programs to increase the availability of transportation to the rural population. The Alamo Area Council of Governments and the Lower Rio Grande Valley Development Council have received funds for this type of program. These projects encountered initial delays due to reduced funding from DOT, difficulty in coordinating supplemental funding sources, legal and institutional barriers including regulatory operating permits, lack of a full-time staff person to develop the program prior to receiving DOT funds, waiting time for delivery of vehicles, and excessive costs of or unavailability of insurance.

Because the transportation needs in the Basin differ from region to region, the five COGs must take the lead in finding solutions to these problems of transportation to medical and special services. The Coastal Bend Council of Governments, the Middle Rio Grande Development Council, and the South Texas Development Council should each pursue funding for demonstration projects if funding for such projects is provided by the Congress. Furthermore, the five South Texas COGs should take a leading role in coordinating existing transportation resources in their regions to ensure their maximum utilization.

Recommendations:

- . THE U.S. CONGRESS SHOULD CREATE A TRANSPORTATION SERVICES ADMINISTRATION (TSA) IN THE U.S. DEPARTMENT OF TRANSPORTATION TO ADMINISTER ALL FUNDS PRESENTLY APPROPRIATED TO FEDERAL AGENCIES TO PROVIDE TRANSPORTATION TO SOCIAL SERVICES. A TSA SHOULD ENCOURAGE THE MERGING OF EXISTING AND FUTURE TRANSPORTATION SERVICES, THROUGH INTERDEPARTMENTAL AGREEMENTS, TO FORM COMPREHENSIVE SYSTEMS TO MEET THE TRANSPORTATION NEEDS OF THE NEEDY, PARTICULARLY THE INDIGENT, HANDICAPPED, AND AGING POPULATIONS.
- . THE ALAMO AREA COUNCIL OF GOVERNMENTS, COASTAL BEND COUNCIL OF GOVERNMENTS, LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL, MIDDLE RIO GRANDE DEVELOPMENT COUNCIL, AND SOUTH TEXAS DEVELOPMENT COUNCIL SHOULD TAKE A LEADING ROLE IN COORDINATING WITH THEIR REGIONS THE RESOURCES TO TRANSPORT THE NEEDY TO MEDICAL AND SOCIAL SERVICES.

FOOTNOTES

¹Derived from the Texas Department of Community Affairs' Poverty in Texas, 1973 (Austin, Texas, 1974), p. 203.

²Texas Rehabilitation Commission, Handicapped Population-Provisional Estimates for Texas Counties, 1970 Census data adjusted to U.S. Bureau of the Census estimates, July 1, 1973.

³U.S. Department of Commerce, Bureau of the Census, 1970 Census of Population, Characteristics of the Population (Washington, D.C.: U.S. Government Printing Office).

⁴Texas Department of Community Affairs, Poverty in Texas, 1973, pp. 168-171.

⁵Texas Rehabilitation Commission, Handicapped Population, July 1, 1973.

⁶State Department of Highways and Public Transportation, Elderly and Handicapped Transportation in Texas (Austin, Texas, 1976), pp. 39 and 58.

⁷Texas Department of Community Affairs, Greater South Texas Cultural Basin Commission, et. al., Transportation Needs of the Elderly in Rural Texas (Austin, Texas, September, 1977), pp. 36-37.

REGIONAL PLANNING AND COORDINATION

The federal government presently supports and directs through categorical grants the major cost of the planning and programming of human services in the states. As a result, the federal government sets the requirements that must be met by state and local planning agencies that use the funds provided through these grants. The heavy dependence of these planning agencies on federal funds has led to a fragmented service delivery system in which the planning entities operate programs that fulfill federal requirements as opposed to meeting locally-identified needs in a comprehensive manner. Planning in terms of available federal monies rather than documented local need has resulted in the proliferation of services while still leaving service gaps in the delivery system. This piecemeal approach to the problem of service delivery has not been brought into a coordinated, coherent administrative framework.

While areawide and state planning could theoretically provide the coordinative approach necessary to redirect federally defined goals and resources to match local service requirements, the categorical approach hampers comprehensive planning from taking place, particularly at the level of the council of governments (COGs). The main reason is that there is little money available to the COGs for supporting comprehensive planning efforts. The majority of their budgets comes from federal funds which are either passed through by State agencies or received directly. Of these grants the U.S. Department of Housing and Urban Development's Planning Assistance Grants are virtually the only federal funds which have some flexibility, and these funds are primarily for physical not human resource planning. (The Farmers Home Administration's Comprehensive Planning for Rural Development Grants program has been funded for only \$5 million nationally.)

The State of Texas does provide the COGs with a flexible source of non-federal funding. This source is the State Regional Planning Assistance Grants which are block grants administered by statutory formula through the Governor's Budget and Planning Office. However, the total amount of these block grants--\$1.7 million annually since fiscal year 1974--has not kept pace with inflation. Inflation is expected to have increased over 50 percent since September 1973, making it increasingly difficult for COGs to maintain their present planning efforts. (An annual appropriation of \$2.5 million would be necessary just to keep up with inflation.) Moreover, this State money is often combined with local dues from member governments to meet local matching requirements for federal grants and thereby increases the total amount of federal funds for which a COG is eligible. The net effect of the COGs' dependence on federal financial support is that the federal government through categorical grant programs influences priorities of COGs in a similar manner to the way it influences priorities of other agencies.

The Regional Human Resource Development (RHRD) project, funded by the U.S. Department of Health, Education and Welfare, provided badly-needed funds to the Greater South Texas Cultural Basin (GSTCB) Commission and the South Texas COGs to support comprehensive human resource planning. The GSTCB Commission completed the RHRD project in October, 1977. Additional state funds are needed to support comprehensive planning, especially human resource planning.

When the GSTCB Commission met in Corpus Christi on March 17, 1978, a major work item was the review of a draft of Chapters IV and V of The Regional Human Resource Development Project, Phase III Report and its recommendations. The

GSTCB Commission noted that Article 1011m, Vernon's Annotated Civil Statutes, "Regional Planning Commissions," requires COGs to have at least 66 2/3 percent elected officials of general purpose governments on their governing bodies. The GSTCB Commission wants the state law amended to guarantee minority representation on the boards in proportion to the minority population within each State Planning Region and so added the wording in the third recommendation below.

Recommendations:

- . THE FEDERAL GOVERNMENT SHOULD MAKE COMPREHENSIVE PLANNING AND COORDINATION GRANTS TO AREA WIDE PLANNING AND DEVELOPMENT ORGANIZATIONS.
- . THE LEGISLATURE SHOULD INCREASE THE AMOUNT OF THE STATE OF TEXAS REGIONAL PLANNING ASSISTANCE GRANTS AT LEAST TO \$2 MILLION FOR EACH YEAR OF THE 1980-81 BIENNIUM TO PROVIDE ADEQUATE FUNDS TO REGIONAL COUNCILS OF GOVERNMENTS TO CONDUCT COMPREHENSIVE PLANNING.
- . THE LEGISLATURE SHOULD AMEND ARTICLE 1011M, VERNON'S ANNOTATED CIVIL STATUTES, "REGIONAL PLANNING COMMISSIONS," TO REQUIRE MINORITY REPRESENTATION ON THE COGS' GOVERNING BODIES IN PROPORTION TO THE MINORITY POPULATION WITHIN EACH STATE PLANNING REGION.

WORK PROGRAM

WORK PROGRAM

The recommendations presented in this report identify many of the ongoing efforts of the Greater South Texas Cultural Basin (GSTCB) Commission to improve the quality of life for the residents of South Texas. Several projects have been developed that are helping implement these recommendations; others will be developed during the months ahead to promote economic development and improve social conditions.

CHANNELING FUNDS TO SOUTH TEXAS

A. Federal Funds

A major GSTCB Commission effort is to seek new and additional funds for South Texas that will help accomplish identified goals and priorities. The GSTCB Commission completed work on several federal grants during 1977 and 1978 and is applying for other grants. These projects include:

1. EDA Economic Adjustment Implementation Project--Laredo

The GSTCB Commission received a \$1,370,000 grant in 1975 from the United States Department of Commerce, Economic Development Administration (EDA), to act as grantee for an economic adjustment project for the City of Laredo. This grant was made under the provisions of Title IX of the Public Works and Economic Development Act of 1965, as amended, which provides special economic development and adjustment assistance to states and localities. This grant was made to the GSTCB Commission to redress an actual economic dislocation in the area of the City of Laredo due to the closing of the Laredo Air Force Base. The project provided for the construction of improvements to the Base, which was acquired by the city as an industrial park. The project provided badly needed jobs during construction. The Base has now been successfully converted to an industrial park, thus providing new, permanent jobs. The GSTCB Commission monitored all construction, provided liaison between EDA and city, and maintained fiscal accountability. Originally scheduled for completion in 1977, there was additional construction when the GSTCB Commission was able to use funds that had been budgeted for administration for further improvements. Work was completed in November, 1978.

2. EDA Basinwide Economic Adjustment Strategy

The GSTCB Commission received a \$200,000 grant in 1975 from EDA to develop a strategy to relieve unemployment in the forty-county Basin caused by plant closures and layoffs, base closings, reduced federal expenditures, and border problems. With the assistance of the Industrial Economics Research Division of Texas A&M University, the GSTCB Commission used Title IX economic adjustment funds to identify anticipated and existing economic adjustment problems, identify the remedial action necessary, and develop a list of projects for future funding. In addition, the GSTCB Commission examined problems and developed strategies for dealing with actions affecting employment along the United States-Mexico border, and analyzed the

utility system of the City of Laredo in order to better serve existing and future industrial growth. The project was completed with the publishing of Strategies for Economic Growth in April, 1977.

3. HEW Partnership Grant--Regional Human Resource Development Project

This important project funded by the United States Department of Health, Education and Welfare (HEW) under Section 232 of the Community Services Act, began its third and final year of operation in 1977. Under the terms of the grant, the GSTCB Commission proposed to develop greater capacity at the regional and state levels for planning and managing human service programs. This "capacity building" effort was directed specifically at the GSTCB Commission and the regional councils of governments (voluntary associations of local governments, or COGs) as a state/regional mechanism for integrated, comprehensive human resource planning. The purpose of the Regional Human Resource Development (RHRD) project was to link state and regional planning for more effective planning and management of human services in a forty-county area of South Texas, and to develop a Basinwide Human Resource Plan that would assist the State in better utilizing its resources to meet the enormous problems of the people in South Texas.

The third year of the RHRD project was December, 1976, through October, 1977. All of the \$82,000 received from HEW was subcontracted to the five South Texas COGs for this nine-month "year." Third-year activities included refining and institutionalizing the comprehensive human resource planning process and updating the five regional human resource plans. Permanent funding for this process was sought at the State level. Two of the Basin COGs signed an interagency agreement with the Texas Department of Human Resources (TDHR) to assist the TDHR in their planning under Title XX of the Social Security Act. The primary focus was on impacting State agency budgets and supporting proposed laws or modifications to existing laws that would improve the allocation of resources and quality of human services in the Basin. Third-year activities emphasized improving local decision making and assessing the effectiveness of selected programs of service providers. Emphasis was also placed upon transferring to other COGs and planning and service agencies the techniques utilized in developing a human resource planning and management process and human resource plans. Although the project was "officially" completed with the publication of the Human Resource Development Phase III Report in March, 1978, the GSTCB Commission is actively engaged in implementing the recommendations contained in the report.

B. State Funds

GSTCB Commission Funds

The GSTCB Commission also channels funds to the Basin by utilizing part of its operating appropriation from the State to conduct a small grant-in-aid program to help fund projects for which there is a well-documented need. Projects are selected that will have an immediate impact on the conditions of South Texas and/or "lever" state or federal funds. Five projects were funded during August, 1977, from funds remaining in the GSTCB Commission's operational budget:

1. Driscoll Children's Hospital--Children's Heart Program of South Texas.

The GSTCB Commission provided the Children's Heart Program of South Texas (CHPST) with \$25,000 to conduct a summer screening and diagnostic project in several Basin counties. Their contract called for a minimum of 2,500 patient contacts and CHPST screened nearly 4,000 children. Those children determined to have a critical problem were referred for emergency treatment, while those with less critical problems were monitored and treated at the appropriate time.

2. SER--Hidalgo County Jobs for Progress

SER-Hidalgo County Jobs for Progress (SER) received \$24,957 to initiate four vocational training programs for veterans. This contract called for a minimum of 50 veterans to be enrolled in auto or diesel mechanics, auto body repair, or welding. Fifty-one veterans were enrolled. An additional 19 students were enrolled in a G.E.D. program to earn high school equivalency diplomas. SER also purchased educational equipment which enabled them to continue their programs beyond the grant period. SER also provided job placement services which assisted in placing many graduates into jobs.

3. City of Spofford Water Storage Tank and Related Improvements

The City of Spofford in Kinney County used \$10,600 from the GSTCB Commission to match funds from the federal Economic Development Administration to construct a water storage tank and related improvements. Prior to construction, residents hauled potable water from a source twelve miles away.

4. Seco Mines (Maverick County) Public Works

Maverick County used \$10,000 of GSTCB Commission funds to match funds from the U.S. Department of Labor and the U.S. Department of Housing and Urban Development. The grants were used to provide water and sewer services to the community of Seco Mines, located near the City of Eagle Pass.

5. City of Edcouch--Property Reappraisal

The GSTCB Commission funded the City of Edcouch in Hidalgo County with \$7,650 to conduct a property reappraisal. The reappraisal--the first in 24 years--was completed in time for the 1977 tax assessment, enabling the city to provide better services with the increased revenues.

Governor's Budget and Planning Office Funds

In late 1978, Governor Briscoe released \$500,000 from funds available through his Budget and Planning Office (BPO) for seven projects designed to improve economic conditions in South Texas. Two grants were made directly between BPO and the Texas Industrial Commission and the Texas Education Agency at the request of the GSTCB Commission. The other five projects were funded by the GSTCB Commission from a \$100,000 grant from BPO.

1. Rural Industrial Loans for South Texas

The Texas Industrial Commission was provided with \$300,000 with which to make rural industrial loans in the forty-county Basin. The program is operated in accordance with the rules of the statewide Texas Rural Industrial Loan Fund and all paybacks will accrue to that revolving fund. Loans made from this grant will significantly increase the number of new jobs and will add state and local tax revenues.

2. Industrial Start-Up Training for South Texas

The Texas Education Agency was provided with \$100,000 to conduct industrial start-up training projects in the Basin. The program is operated in accordance with the rules of the statewide Industrial Start-Up Training Program. Projects will promote the location of new industry or the expansion of present industries in South Texas while providing training for good jobs for local residents.

3. South Texas Transportation Studies

The Council for South Texas Economic Progress (COSTEP) in McAllen has been conducting transportation studies for individual companies as part of an EDA-funded pilot project. COSTEP acts as a "consultant" to the industry by finding optimal transportation solutions to accomplish the industry's goals of cutting costs and improving services. Results so far have been very good and, in 3 out of 5 cases, new plant expansions have resulted. Part of the GSTCB Commission's \$35,000 grant will continue this project; COSTEP will use the remainder to conduct a broad-based study of the more critical mutual problems faced by Basin shippers and receivers, carriers, and navigation districts. The findings from the various studies will be documented and recommendations proposed for legislative or regulatory action. Finally, a Basin-wide seminar will be held for all interested firms and other parties to disseminate methods to cut costs and improve services.

4. Entrepreneurial Training for Minorities

The GSTCB Commission has granted the Texas Education Agency (TEA) \$26,000 to enable Del Mar College in Corpus Christi and Laredo Junior College to conduct entrepreneurship training programs for minorities. These semester-length courses will reach approximately 150 people. The course is designed to teach business management skills to present and potential minority small businessmen. The courses will be taught from a practical rather than an academic point of view; instructors will be selected from among successful minority small businessmen in Corpus Christi and Laredo. The Division of Minority Business Enterprise of the Texas Industrial Commission (TexOMBE) has received a GSTCB Commission \$1,000 grant to assist with preparations for these training projects.

5. Training Manual for Housing Counselors

Presently, there is no program to counsel consumers on the problems associated with buying, renting, or owning a home. There have been some housing counseling efforts, but these have focused on the federal govern-

ment's problems with housing programs rather than on problems facing consumers. Many Texas communities have acknowledged the need for advising their citizens on available housing programs and the problems they will face in rented or owned homes by establishing some counseling services through community development or community action agencies. Though such counseling has proven worthwhile, there is no single manual which comprehensively provides information on the full range of housing issues from pre-occupancy counseling to landlord-tenant mediation. The GSTCB Commission has allocated \$7,500 for preparing a training manual for housing counselors and for developing consumer brochures and hand-outs on housing that are in both English and Spanish. The Housing Division of the Texas Department of Community Affairs is providing technical assistance in the preparation of the material. The training manual will cover the interpersonal skills and techniques counselors need to work well with their clients in addition to counseling techniques, home ownership, cost of home repair and rehabilitation, renting a home or apartment, foreclosure prevention, credit counseling, and developing equity. The brochures in English and Spanish will be developed to inform low income people of the responsibilities of home ownership, financing a home, energy conservation, home repairs, credit, foreclosure, and problem avoidance in home ownership.

6. Supervisory (Upgrade) Training

The GSTCB Commission has granted the Engineering Extension Service of Texas A&M University \$3,000 to conduct a supervisory level training program in the Valley of South Texas. The Texas Industrial Commission (TIC) will assist in arranging for the training program. There is a real need in South Texas for long-term training and supervisory (upgrade) training, in addition to short-term or entry level training. Neither the Comprehensive Employment Training Act (CETA) nor TEA's Industrial Start-Up Training Program are able to meet that need.

7. Target Industries Studies

The GSTCB Commission has allocated \$23,000 for the conduct of feasibility and marketing studies to identify key industrial and manufacturing sectors in South Texas that present realistic opportunities to start new businesses or expand existing businesses--especially for minority entrepreneurs. Sectors to be analyzed include home insulation, solar energy, primary metals, and tool and die. The studies will focus on a few geographic areas of high potential, such as Corpus Christi Bay, the Lower Rio Grande Valley, and the Eagle Pass-Del Rio-Uvalde area. Services to the Commission will also include technical assistance to minority entrepreneurs with expansion potential.

ACTIVITIES AND ACCOMPLISHMENTS OF THE GSTCB COMMISSION

The success of the Greater South Texas Cultural Basin (GSTCB) Commission in channeling funds to the Basin has been a major accomplishment. But the successful grant activities of the GSTCB Commission have been but a part of its wide-ranging accomplishments and activities. Since the GSTCB Commission's last formal report to the Governor and Legislature in the spring

of 1977, there have been many additional accomplishments and many new as well as continuing activities. These efforts are helping to improve economic and social conditions in the Basin, thereby providing an improved quality of life for the people of South Texas. A brief description of some of the accomplishments and activities in 1977 and 1978 in which the GSTCB Commission played or is playing a key role follows:

1. Preparation of South Texas Development Plan

The GSTCB Commission's 1977 report, Developing South Texas: A Report to the Governor and Legislature, was a year-long effort involving representatives of local, state, and the federal government and private citizens. It contained 62 recommendations that addressed the Commission's legislative mandate to help develop both the economic and human resources of the forty-county Basin. The recommendations were in the functional areas of capital resources, community development, natural resources, marketing, transportation, education, employment/manpower, health, transportation to social services, and regional planning and coordination. Several recommendations received favorable consideration by the 65th Texas Legislature and by state and federal agencies and have been implemented.

This document, which was widely distributed, was also the foundation for the Commission's work program during 1977 and 1978 and the starting point for a legislative program for South Texas for the 1980-91 biennium.

2. Completion of Executive Summary of South Texas Development Plan

The Executive Summary of Developing South Texas was prepared which contained 57 recommendations in the areas of economic development and human resources that had been approved by the GSTCB Commission. The document was distributed to the Governor and 65th Texas Legislature early in 1977, so that it could be utilized during the Regular Session of the Legislature.

3. Conduct of Regional Human Resource Development Project

The GSTCB Commission staff, working closely with the five councils of governments in the Basin, completed the third year of the Regional Human Resource Development (RHRD) Project--a Partnership grant from HEW designed to link state and regional planning for more effective planning and management of human services in the Basin. Third-year accomplishments included updating the comprehensive human resource plan for the Basin developed during Phase II, and a final report covering the project's three years of HEW funding. It also included conduct of two human resource planning seminars.

4. Human Resource Planning Seminars

The Regional Human Resources Development project's third-year activities included conducting two workshops on human services planning in 1977. The purpose of the workshops was to transfer the techniques and experiences gained by the South Texas councils of governments (COGs) during the development of a comprehensive human services planning and management process and human services plan to other Texas COGs, to cities and counties in the Basin,

and to other interested organizations. The first workshop was held in Austin for the 19 Texas COGs outside the Basin. This workshop explained the planning techniques and mechanisms used, described the plan's format, explained the uses and purposes of the plan, and described the relationship of the human services plan to the COGs' other programs. The second workshop, held in Laredo, was for officials of city and county governments and other interested human service organizations in the Basin. The emphasis was on defining what human services planning is, why it matters, the theoretical base, the process and techniques, the experience of five COGs in South Texas, the experience of other service organizations, and the use of the planning product in action and decision-making.

5. Publication of Human Resource Development Phase III Report

As part of the third and final year of the Regional Human Resources Development Project, the GSTCB Commission published its updated comprehensive human resource plan for the Basin entitled Human Resource Development Phase III Report. This report, which was based upon needs assessment conducted at the local level supplemented by State agency information, contained 35 recommendations that address human resource problems and opportunities in South Texas. The report was widely distributed upon publication in March, 1978.

6. Testifying to Retain Rail Lines

The GSTCB Commission offered a resolution and staff provided part of the Attorney General's testimony at the March 1, 1978 hearing of the Interstate Commerce Commission on the Southern Pacific Railroad's proposed abandonment of portions of its line from Victoria to Edinburg in the Valley. The GSTCB Commission opposed the abandonment and provided evidence concerning the economic growth potential of the counties adjacent to the line. To date, no official notification has been received as to the outcome of the hearing.

7. Economic Development Training for Community Leaders

The GSTCB Commission has submitted an application for a technical assistance grant to the Southwest Regional Office of the Economic Development Administration (EDA) to do training in economic development principles and techniques for approximately 300 community leaders in the five State Planning Regions comprising the Basin and in the Upper Rio Grande State Planning Region (El Paso). The GSTCB Commission will involve appropriate councils of governments, state and federal agencies, and public and private development organizations in the training seminars. The Commission anticipates funding from EDA in early 1979, since EDA has already favorably received a preliminary proposal on this project.

8. Sponsoring a Business and Industrial Fair

The GSTCB Commission has done preliminary planning and will pursue funding for a business and industrial fair in South Texas when 20 or 30 smaller communities in the Basin are sufficiently prepared and ready to "sell" an industrial prospect on their communities. The economic development training project, which is expected to be funded by EDA in early 1979, will assist

in readying these communities. Also, anticipated developments in transportation, energy, and resource capability will have an impact on the timing of the fair.

9. Economic Development Planning Workshops

On February 16 and 17, 1977, the GSTCB Commission held an economic development planning workshop in Austin. The workshop involved principal planners and economic/community developers from the five South Texas COGs. An effort was made to unify and organize economic planning and development in the Basin. The workshop was designed as a first step toward creating an on-going communication network among the COGs and the GSTCB Commission in order to facilitate comprehensive, basinwide economic development planning.

On March 11, 1977, the GSTCB Commission's Ad Hoc Economic Development Advisory Committee met in Corpus Christi to develop recommendations to accomplish goals established at the February workshop. The proposed recommendations were submitted to the GSTCB Commissioners for their review and approval at the March 31 Commission meeting in Kerrville.

On March 6, 1978, the GSTCB Commission met in San Antonio with the economic development planners from the Basin COGs to (1) exchange information concerning economic development activities, (2) to offer assistance in any of those activities where the Commission's efforts might be complementary to COG efforts, (3) to ask for assistance in planning a Business and Industrial Fair for South Texas, and (4) to ask for input and feedback on the Commission's \$2.75 million Development Grant Proposal to go before the 66th Texas Legislature.

10. Implementing a Development Grant Proposal

In June, 1978, the GSTCB Commission formed a new Economic Development Committee to assist in the development and implementation of the Commission's \$2.75 million Development Grant Proposal for the 1980-81 biennium. This proposal is key to implementing Commission recommendations to improve economic conditions in South Texas. The Economic Development Committee also serves as a resource group for economic development proposals.

11. Testifying to Retain Air Traffic Control Towers

Four airports in the Basin--Brownsville, McAllen, Harlingen and Laredo--faced the possibility of losing federal funding of their air traffic control towers (ATCTs). The Federal Aviation Administration (FAA) contended that the ATCTs had operating and maintenance costs that exceeded the benefits of continued operation. In an October, 1977, letter to the FAA Director, the GSTCB Commission staff emphasized the socio-economic conditions of the Basin and suggested that any small savings the FAA could realize by discontinuing ATCT operation would be more than offset by the financial problems incurred by the cities funding ATCT operations themselves. The GSTCB Commission staff also supported the position of the Texas Aeronautics Commission which also urged continued federal operation of the ATCTs in Texas. To date, the FAA has not reached a final decision regarding the ATCTs.

12. Commission Featured in National Magazine

South Texas and the GSTCB Commission were featured in the cover story of the April, 1978, issue of La Luz, the first magazine to serve this nation's sixteen million Hispanics. La Luz worked closely with the Governor's Office and the GSTCB Commission in developing a comprehensive, illustrated story of the present and potential human and economic resources of the area, as well as the challenge in coping imaginatively and dynamically with the area's problems and conditions. The publication of this article enabled the Commission to reach a different public in its efforts to inform and educate people throughout the State and country on the problems and conditions in South Texas.

13. Improving Educational Opportunities

The GSTCB Commission formed a new Education Committee in June, 1978, to assist in refining and implementing the education recommendations of the Commission. On October 13, 1978, the Education Committee presented nine recommendations to the State Board of Education in Austin. These recommendations, considered essential for the development of South Texas, included recommendations concerning the drop-out problem and vocational education. The State Board of Education acknowledged the recommendations and upon the suggestion of the Commissioner of Education asked the Texas Education Agency to see to their timely implementation.

14. Testifying for the Senate Special Subcommittee on Rural Health Care Services

The GSTCB Commission staff provided testimony in September and December, 1978, to the Texas Senate's Special Subcommittee on Rural Health Care Services on the health conditions of South Texas residents. The shortage and poor distribution of doctors, dentists, nurses, and other health professionals in South Texas was pointed out to the Subcommittee. Also, the high incidence of certain diseases and illnesses in the Basin was documented and suggestions made for improving health conditions.

15. Housing Workshops Held.

The GSTCB Commission, together with the Housing Division of the Texas Department of Community Affairs (TDCA), the Alamo Area Council of Governments, the Coastal Bend Council of Governments, and the Lower Rio Grande Valley Development Council, sponsored a series of housing workshops especially for builders, developers, and investors in November, 1977. TDCA did the actual teaching. The purpose of these workshops was to encourage economic development in South Texas by giving builders, developers, investors, and other interested persons an overview of available federal housing programs. Additional housing workshops for housing coordinators, counselors, as well as builders, developers, and investors, will be held in the Basin as part of an ongoing program.

16. Improving Transportation to Social Services

The GSTCB Commission staff assisted in the writing and editing of Transportation Needs of the Elderly in Rural Texas, a position paper prepared under the direction of the Texas Resource Advisory Group for Human Services Transportation for the U.S. House of Representatives' Select Committee on Aging. The GSTCB Commission staff also provided staff support for the 2nd Southwest Conference on Mobility Programs for the Transportation Disadvantaged held in Houston in August, 1978.

17. Meetings of the GSTCB Commission

The GSTCB Commission holds quarterly meetings. Counting its first meeting in Elsa in June, 1974, the GSTCB Commission has met 14 times, usually in the Basin to facilitate the attendance of Commissioners and the general public. The meetings provide an opportunity to bring together representatives of federal, state and local governments with private citizens to discuss problems and opportunities in the Basin. The dates and places of the meetings were:

June 20, 1974--Elsa	November 18, 1976--Uvalde
March 7, 1975--San Antonio	December 17, 1976--San Antonio
December 4, 1975--Laredo	January 27, 1977--Austin
May 27, 1976--Austin	March 31, 1977--Kerrville
September 1, 1976--Corpus Christi (in conjunction with the Economic Development Conference)	December 1, 1977--McAllen
October 6, 1976--Brownsville	March 17, 1978--Corpus Christi
	June 9, 1978--Laredo
	December 8, 1978--Del Rio

APPENDIX A

LIST OF CHARTS

- Chart 1 School Leavers in the Greater South Texas Cultural Basin
- Chart 2 Guidance and Vocational Counselors in the GSTCB, By Counties and School Districts
- Chart 3 Areawide Schools in Texas
- Chart 4 Students in the Workstudy Program in the GSTCB, School Year 1977-78
- Chart 5 CETA Funded Vocational Programs in the GSTCB, 1977-78
- Chart 6 Disadvantaged Students in CVAE in the Basin, School Year 1977-78
- Chart 7 Medically Underserved Areas in the Greater South Texas Cultural Basin
- Chart 8 Students Receiving Loans, Grants, or Scholarships from the State Rural Medical Education Board, and Pending Applications

Chart 1

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

ALAMO REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
ATASCOSA									
Charlotte	0	12	33	0	10	20	x	16.7	39.4
Jourdanton	0	23	19	1	25	12	*	*	36.8
Lytle	0	29	24	0	20	22	x	31.0	8.3
Pleasanton	1	97	86	2	84	64	*	13.4	25.6
Poteet	0	24	78	0	16	42	x	33.3	48.0
BANDERA									
Bandera	1	77	15	0	63	6	100	18.2	60.0
Medina	0	29	0	0	20	0	x	45.0	x
BEXAR									
Alamo Heights	4	340	83	3	296	55	25.0	12.9	33.7
East Central	29	296	87	13	201	54	55.1	32.1	38.0
Edgewood	124	54	1666	76	25	811	38.7	53.7	51.3
Ft. Sam Houston	6	92	10	12	76	5	*	17.4	50.0
Harlandale	3	494	1197	3	273	673	x	44.7	43.8
Judson	27	474	68	34	335	61	*	29.3	10.3
Lackland	15	52	2	7	14	2	53.3	73.1	x
Northeast	38	2436	364	70	2461	315	*	*	13.5
Northside	127	1775	608	104	1413	472	18.1	20.4	22.4
Randolph Field	9	70	8	7	63	3	22.2	10.0	62.5
San Antonio	1007	1158	3613	575	791	2277	42.9	31.7	37.0
South San Antonio	22	268	555	25	159	374	*	40.7	32.6
Southside	3	63	154	2	40	73	33.3	38.3	52.9
Southwest	14	210	127	16	145	79	*	31.0	37.8
Somerset	0	76	56	0	50	47	x	34.2	16.1

B - Black, A - Anglo, H - Hispanic

x - indicates no change
* - indicates increase

Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

ALAMO REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
COMAL									
Comal	0	256	61	0	223	31	x	12.9	49.2
New Braunfels	10	211	144	6	212	87	40.0	*	39.6
FRIO									
Dilley	0	20	43	0	14	37	x	30.0	14.0
Pearsal	3	36	130	2	43	67	33.3	*	48.5
GILLESPIE									
Fredericksburg	0	154	18	0	161	15	x	*	16.7
Harper	0	26	3	0	20	0	x	23.1	100
GUADALUPE									
Marion	2	29	8	5	36	5	*	*	37.5
Navarro	0	21	12	0	17	5	x	19.0	58.3
Schertz-Cibolo- Universal City	12	336	67	12	289	47	x	14.0	30.0
Seguin	64	241	202	44	224	92	31.2	7.1	54.5
KARNES									
Falls City	0	33	2	0	34	0	x	*	100
Karnes City	3	63	53	3	52	35	x	17.5	34.0
Kenedy	8	51	32	5	43	28	37.5	15.7	12.5
Runge	1	7	21	0	12	15	100	*	28.6

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Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

ALAMO REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
KENDALL									
Boerne County Line	0	121	10	0	126	10	x	*	x
Comfort	0	33	9	0	28	6	x	15.2	33.3
KERR									
Center Point	0	23	0	0	25	0	x	*	x
Kerrville	24	264	265	13	196	44	45.8	25.8	84.4
MEDINA									
Devine	0	95	47	0	62	27	x	34.7	42.6
D'Hanis	0	9	16	0	9	12	x	x	25.0
Hondo	0	64	67	0	56	40	x	12.5	40.3
Medina Valley	0	91	49	0	73	30	x	19.8	38.8
Natalia	2	22	31	2	20	24	x	9.1	22.6
WILSON									
Floresville	1	69	89	2	60	59	*	13.0	33.7
La Vernia	2	50	6	3	33	3	*	34.0	50.0
Poth	1	36	13	0	47	12	100	*	7.7
Stockdale	0	34	15	0	24	6	x	29.4	60.0

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Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

COASTAL BEND REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
ARANSAS									
Aransas	7	136	48	5	103	21	28.6	24.3	56.3
BEE									
Beeville	13	187	186	13	116	94	x	40.0	49.5
Pawnee	0	1	19	0	3	12	x	*	36.8
Pettus	0	43	25	0	28	14	x	34.9	44.0
Skidmore-Tynan	0	11	13	0	8	6	x	27.3	53.8
BROOKS									
Brooks	0	29	166	0	18	125	x	37.9	24.7
DUVAL									
Benavides	0	29	117	0	5	62	x	82.8	47.0
Freer	(incomplete data)								
San Diego	0	1	143	0	1	105	x	x	26.6
JIM WELLS									
Alice	5	180	354	4	139	272	20.0	22.8	23.2
Ben Bolt-Palito Blanco	0	2	24	0	1	23	x	50.0	4.2
Orange Grove	0	26	22	0	25	17	x	3.8	22.7
Premont	0	26	93	0	21	63	x	19.2	32.3
KENEDY									

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Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

COASTAL BEND REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
KLEBERG									
Kingsville	18	217	337	12	161	216	33.3	25.8	35.9
Riviera	0	24	17	0	18	14	x	25.0	17.6
LIVE OAK									
George West	0	50	39	0	44	21	x	12.0	46.2
Three Rivers	0	30	17	0	28	25	x	6.7	*
MCMULLEN									
McMullen	0	11	8	0	8	6	x	27.3	25.0
NUECES									
Agua Dulce	0	11	23	0	8	9	x	27.3	60.9
Banquete	9	17	35	0	17	13	x	x	62.9
Bishop	1	61	82	0	49	45	100	19.7	45.1
Calallon	2	186	26	2	138	21	x	25.8	19.2
Corpus Christi	224	1536	1742	175	1141	1285	21.8	25.7	26.2
Flour Bluff	3	230	33	7	176	25	*	23.5	24.2
Robstown	11	41	433	7	22	244	36.4	46.3	43.6
Tulosa-Midway	0	126	60	0	117	43	x	7.1	28.3
West Oso	73	1	197	43	0	99	41.1	100	49.7
REFUGIO									
Austwell-Twoli	2	7	18	1	7	12	50.0	x	33.3
Refugio	19	64	33	19	63	25	x	1.6	24.2
Woodsboro	5	41	24	3	36	16	40.0	12.2	33.3

A-6

Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

COASTAL BEND REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
SAN PATRICIO									
Aransas Pass	10	129	50	7	68	20	30.0	47.3	60.0
Gregory-Portland	0	225	92	0	18	64	x		
Ingleside	4	105	22	2	61	10	50.0	41.9	54.5
Mathis	4	43	135	2	35	87	50.0	18.6	35.6
Odem	0	31	49	0	19	38	x	38.7	22.5
Sinton	5	58	176	2	52	76	60.0	10.3	56.8
Taft	1	38	118	2	30	60	*	21.1	49.2

Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

LOWER RIO GRANDE VALLEY REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
CAMERON									
Brownsville	1	244	1438	0	157	792	100	35.7	44.9
Harlingen	14	234	608	12	282	564	14	*	7.2
La Feria	2	45	125	2	34	84	x	24.4	32.8
Los Fresnos	0	52	145	0	38	69	x	26.9	52.4
Point Isabel	0	39	116	1	33	76	*	15.4	34.5
Rio Hondo	0	20	74	0	18	59	*	10.0	20.3
San Benito	2	67	378	1	32	225	50.0	52.2	40.5
Santa Rosa	0	2	47	0	4	42	x	*	10.6
HIDALGO									
Donna	1	53	256	2	27	186	*	49.1	27.3
Edcouch-Elsa	0	16	273	0	5	216	x	56.3	20.9
Edinburg	1	120	548	0	97	362	100	19.2	33.9
La Joya	0	16	160	0	4	125	x	75.0	29.2
McAllen	1	278	823	1	232	616	x	16.5	25.1
Mercedes	0	17	267	0	16	197	x	5.9	26.2
Mission	0	66	342	0	61	316	x	7.8	7.6
Pharr-San Juan-Alamo	1	101	534	0	79	491	100	21.8	8.1
Sharyland	0	45	43	0	47	38	x	*	11.6
Weslaco	1	48	399	0	48	293	100	x	26.6
WILLACY									
Lyford	1	16	104	1	12	91	x	25.0	12.5
Raymondville	4	40	267	0	31	96	100	22.5	64.0
San Perlita	0	5	15	0	4	7	x	20.0	53.3

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Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

MIDDLE RIO GRANDE REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
DIMMIT									
Asherton	0	0	39	0	0	30	x	x	23.1
Carrizo Springs	4	37	151	3	34	103	25.0	8.0	31.8
EDWARDS									
Nueces Canyon	0	35	7	0	30	7	x	14.3	x
Rocksprings	0	14	17	0	11	6	x	21.4	64.7
KINNEY									
Brackett	2	18	40	0	13	20	100	27.8	50.0
LA SALLE									
Cotulla	0	28	82	2	24	56	*	14.3	31.7
MAVERICK									
Eagle Pass	0	68	444	0	34	335	x	50.0	24.5
REAL									
Leakey	0	14	4	0	19	5	x	*	*
UVALDE									
Knippa	0	6	3	0	5	4	x	16.7	25.0
Sabinal	0	22	41	0	17	29	x	22.7	29.3
Utopia	0	17	0	0	11	0	x	35.3	x
Uvalde	1	144	240	0	121	129	100	16.0	46.3

Chart 1 Cont'd.

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

MIDDLE RIO GRANDE REGION County & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
VAL VERDE									
Comstock	0	5	6	0	4	4	x	20.0	33.3
San Felipe-DeI Rio	25	234	417	11	153	274	56.0	34.6	34.3
ZAVALA									
Crystal City	1	0	162	1	0	106	x	x	34.6
La Pryor	0	9	23	0	6	8	x	33.3	65.2

SCHOOL LEAVERS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

SOUTH TEXAS REGION Couty & School District	Ethnic Breakdown of Freshmen, 1974-75			Ethnic Breakdown of Seniors, 1977-78			Percent Decrease		
	B	A	H	B	A	H	B	A	H
JIM HOGG									
Jim Hogg County	0	15	114	0	11	76	x	26.7	33.3
STARR									
Rio Grande City	0	10	304	0	3	215	x	70.0	29.3
Roma	0	1	146	0	1	124	x	x	15.1
San Isidro	0	3	38	0	1	29	x	66.7	23.7
WEBB									
Laredo	1	118	1559	1	81	929	x	31.4	40.4
Mirando City	0	2	12	0	1	4	x	50.0	66.7
United	3	75	78	0	59	61	100	21.3	21.8
Webb	0	2	16	0	1	8	x	50.0	50.0
ZAPATA									
Zapata	0	12	103	0	8	77	x	33.3	25.2
BASIN	2033	16,936	26,250	1389	13,412	17,076	31.7	20.8	34.9

A-11

B - Black, A - Anglo, H - Hispanic

x - indicates no change
* - indicates increase

SOURCE: Texas Education Agency

Chart 2

GREATER SOUTH TEXAS CULTURAL BASIN
Counties/School Districts

ALAMO AREA

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
ATASCOSA	Charlotte	.28	
	Jourdanton	.40	
	Lytle	.32	
	Pleasanton	1	
	Poteet	1	
County Total		3	0
BANDERA	Bandera	1	
	Medina		
County Total		1	0
BEXAR	Alamo Heights	10	1
	Bexar Co. Sch. for Boys		
	Bexar Co. Sch. for Girls		
	East Central	6	1
	Edgewood	21	3
	Ft. Sam Houston	3	
	Harlandale	28	2
	Judson	15	1
	Lackland	2	
	North East	46	5
	Northside	59	3
	Randolph Field	1	
	San Antonio	111.9	8
	Somerset	1	
	South San Antonio	13	1
Southside	2		
South West	3	1	
County Total		321.9	26
COMAL	Comal	6	1
	New Braunfels	7	1
County Total		13	2
FRIO	Dilley		
	Pearsall	3	
County Total		3	0
GILLESPIE	Doss		
	Fredericksburg	3	1
	Harper		
County Total		3	1

Chart 2 Cont'd.

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
BROOKS County Total	Brooks	4 4	0
DUVAL	Benavides	1	
	Freer	1	
	Ramirez		
	San Diego	4	
County Total		6	0
JIM WELLS	Alice	6	1
	Ben Bolt-Palito Blanco		
	La Gloria		
	Orange Grove	1	
	Premont	1	
County Total		8	1
KENEDY County Total	Kenedy County Wide	0	0
KLEBERG	Kingsville	8	1
	Laureles		
	Ricardo		
	Riviera		
	Santa Gertrude's		
County Total		8	1
LIVE OAK	George West	1	
	Three Rivers	.5	
County Total		1.5	0
MCMULLEN County Total	McMullen	0	0
NUECES	Agua Dulce	.5	
	Banquete	.5	
	Bishop Cons.	1	
	Calallen	3	
	Corpus Christi	73	7
	Driscoll		
	Flour Bluff	6	1
	London		
	Port Aransas	1	
	Robstown	4	1
	Santa Cruz		
	Tuloso-Midway	3	1
	West Oso	2.5	
County Total		94.5	10
REFUGIO	Austwell-Tivoli		
	Refugio	2	
	Woodsboro	1	
County Total		3	0

Chart 2 Cont'd.

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
GUADALUPE	Marion	1	
	Navarro	1	
	Schertz-Cibolo U City	5	
	Seguin	8	1
County Total		15	1
KARNES	Falls City		
	Karnes City	1	
	Kenedy	1	
	Runge		
County Total		2	0
KENDALL	Boerne County Line	1	
	Comfort	1	
County Total		2	0
KERR	Center Point		
	Divide		
	Hunt		
	Ingram		
	Kerrville	5	1
County Total		5	1
MEDINA	Devine	1.5	
	D'Hanis		
	Hondo	1	
	Medina Valley	1	
	Natalia	1	
County Total		4.5	0
WILSON	Floresville	2	
	La Vernia	.33	
	Poth	.30	
	Stockdale	.30	
	County Total		2.93
PLANNING REGION TOTAL		376.33	29

COASTAL BEND

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
ARANSAS	Aransas	3	
	County Total	3	0
BEE	Beeville	4	1
	Pawnee		
	Pettus	1	
	Skidmore-Tynan		
County Total		5	1

Chart 2 Cont'd.

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
SAN PATRICIO	Aransas Pass	2	
	Gregory-Portland	4	1
	Ingleside	1	
	Mathis	5	
	Odem	1	
	Sinton	2	
	Taft	2	
County Total		17	1
PLANNING REGION TOTAL		150	15

LOWER RIO GRANDE VALLEY

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
CAMERON	Brownsville	23	4
	Harlingen	13	2
	La Feria	3	
	Los Fresnos	2	
	Point Isabel	3	
	Rio Hondo	1	
	San Benito	4	1
	Santa Maria		
	Santa Rosa		
	South Texas		
County Total		49	7
HIDALGO	Donna	5.5	1
	Edcouch-Elsa	4	1
	Edinburg	11	2
	Hidalgo	1.8	
	La Joya	3	1
	La Villa	.5	
	McAllen	17	2
	Mercedes	5	2
	Mission	5	1
	Monte Alto	.5	
	Pharr-San Juan-Alamo	14	3
	Progreso		
	Sharyland	1.43	
	Valley View		
Weslaco	5	2	
County Total		73.73	14
WILLACY	Lasara		
	Lyford	1	
	Raymondville	3	1
	San Perlita		
County Total		4	1
PLANNING REGION TOTAL		126.73	22

Chart 2 Cont'd.
MIDDLE RIO GRANDE

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
DIMIT	Asherton	1	
	Carrizo Springs	3	
County Total		4	0
EDWARDS	Carta Valley		
	Nueces	1	
	Rocksprings		
County Total		1	0
KINNEY	Brackett	1	
County Total		1	0
LASALLE	Cotulla	1	
County Total		1	0
MAVERICK	Eagle Pass	6	1
County Total		6	1
REAL	Leakey		
County Total		0	0
UVALDE	Knippa	.20	
	Sabinal	.60	
	Uvalde	8	1
	Utopia	.20	
County Total		9	1
VAL VERDE	Comstock		
	Juno		
	San Felipe-Del Rio	9	2
County Total		9	2
ZAVALA	Crystal City	1	
	La Pryor	1	
County Total		2	0
PLANNING REGION TOTAL		33	4

SOUTH TEXAS

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
JIM HOGG	Jim Hogg County	1	
County Total		1	0
STARR	Rio Grande City	4	1
	Roma	1	
	San Isidro	1	
County Total		6	1

Chart 2 Cont'd.

<u>County</u>	<u>School Districts</u>	<u>Guidance Counselors</u>	<u>Vocational Counselors</u>
WEBB	Laredo	20	2
	Mirando	1	
	United	1	
	Webb Cons.		
County Total		22	2
ZAPATA	Zapata	2	
County Total		2	0
PLANNING REGION TOTAL		31	3
BASIN TOTAL		717.06	73

SOURCE: Texas Education Agency

Chart 3

AREAWIDE SCHOOLS IN TEXAS

<u>Host ISD</u>	<u>Sending ISD</u>	<u>No. of Students Sent to Areawide Schools</u>
GSTCB		
Fredericksburg	Comfort	8
Harlingen	Rio Hondo	15
Karnes City	Kenedy	5
McAllen	Sharyland	1
GSTCB Total		29
State		
Austin	Eanes	1
	Pflugerville	1
	Del Valle	5
	Round Rock	1
Bay City	Van Vleck	18
	Tidehaven	8
Big Spring	Forsan	1
	Coahoma	5
	Trenton	3
	Savoy	8
Brownwood	Blanket	2
Castleberry	Eagle Mountain-Saginaw	1
Clarkville	Avery	9
	Detroit	12
Cleburne	Rio Vista	5
	Grandview	3
	Alvarado	9
Conroe	Willis	6
Dayton	Huffman	2
Denton	Aurbrey	16
	Krum	9
	Lake Dallas	1
Fredericksburg	Comfort	8
Gainesville	Callisburg	2
Galena Park	Channelview	14
	Sheldon	1
Goose Creek	La Porte	5
Granger	Bartlett	4
Grapevine	Carroll	8
	Coppel	10
	Hurst-Euless-Bedford	2
	Keller	2
Hamlin	Stamford	4
Harlingen	Rio Hondo	15
Humble	Huffman	3
Karnes City	Kenedy	5
La Grange	Giddings	17
Lamar	Needville	8
Lubbock	Shallowater	1
McAllen	Sharyland	1
McKinney	Princeton	3
	Prosper	3
	Blue Ridge	3

Chart 3 Cont'd.

<u>Host ISD</u>	<u>Sending ISD</u>	<u>No. of Students Sent to Areawide Schools</u>
	Celina	3
	Allen	4
	Frisco	4
Mount Pleasant	Paul Pavitt	4
New Caney	Splendor	4
Palacios	Calhoun County	8
Palestine	Westwood	20
	Elkhart	2
Pasadena	Deer Park	2
Patton Springs	McAdoo	11
Plainview	Hale Center	6
Palls	Lorenzo	2
San Marcos	Hays Consolidated	3
Sherman	Denison	2
Stamford	Auson	4
Texarkana	Pleasant Grove	11
Tulia	Nazareth	9
Waxahachie	Ferris	11
	Italy	4
	Midlothian	21
	Red Oak	11
	Palmer	1
Weatherford	Peaster	2
	Springtown	13
	Brock	7
	Poolville	2
	Aledo	2
	Millsap	5
White Settlement	Azle	1
Wichita Falls	Holliday	3
	Windthorst	17
STATE TOTAL		444

SOURCE: Texas Education Agency, 1978

Chart 4

STUDENTS IN THE WORKSTUDY PROGRAM IN THE GSTCB,
SCHOOL YEAR 1977-78

<u>STATE PLANNING REGION</u>	<u>COUNTY</u>	<u>NUMBER OF STUDENTS</u>
ALAMO		
Pleasanton ISD	Atascosa	5
East Central ISD	Bexar	19
Harlandale ISD	Bexar	37
Southside ISD	Bexar	41
Southwest ISD	Bexar	24
Total		126
COASTAL BEND		
Benavides ISD	Duval	9
Corpus Christi ISD	Nueces	75
Flour Bluff ISD	Nueces	40
Total		124
LOWER RIO GRANDE VALLEY		
Brownsville ISD	Cameron	11
Harlingen ISD	Cameron	11
Point Isabel ISD	Cameron	30
McAllen ISD	Hidalgo	30
Pharr-San Juan-Alamo ISD	Hidalgo	50
Total		132
MIDDLE RIO GRANDE		
Cotulla ISD	La Salle	16
Total		16
Basin Total		398

Source: Texas Education Agency

Chart 5

CETA FUNDED VOCATIONAL
PROGRAMS IN THE GSTCB, 1977-78

<u>PLANNING REGION</u>	<u>CLIENTS ENROLLED</u>
Alamo	
Skill Center	739
Coastal Bend	
Bee County Junior College	80
Del Mar College	88
GOMA at Texas A&I	50
Kingsville ISD	16
Metil's Inc.	5
Region II Service Center	200
South Texas Vocational Center	6
Lower Rio Grande Valley	
Brownsville ISD	853
McAllen ISD	131
Pharr-San Juan-Alamo ISD	60
Texas State Technical Institute	160
South Texas	
Laredo ISD	360
GSTCB Total	2,738

SOURCE: Texas Education Agency

Chart 6

DISADVANTAGED STUDENTS IN CVAE IN THE BASIN,
SCHOOL YEAR 1977-78

	<u>ALAMO</u>						<u>Total</u>
	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	
ATASCOSA CO.							
Charlotte ISD	25	0	0	0	0	0	25
Jourdanton ISD	-	-	-	-	-	-	0
Lytle ISD	-	-	-	-	-	-	0
Pleasanton ISD	52	0	0	0	0	0	52
Poteet ISD	-	-	-	-	-	-	0
TOTAL	77	0	0	0	0	0	77
BANDERA CO.							
Bandera ISD	-	-	-	-	-	-	0
Medina ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
BEXAR CO.							
Alamo Hgts. ISD	0	0	0	0	21	20	41
Bex. Co. Sch. for Boys ISD	-	-	-	-	-	-	0
Bex. Co. Sch. for Girls ISD	-	-	-	-	-	-	0
East Central ISD	0	0	0	0	103	30	133
Edgewood ISD	0	0	0	0	73	0	73
Ft. Sam Houston ISD	-	-	-	-	-	-	0
Harlandale ISD	0	0	0	0	77	0	77
Judson ISD	-	-	-	-	-	-	0
Lackland ISD	-	-	-	-	-	-	0
North East ISD	4	52	2	45	154	64	321
Northside ISD	1	9	1	125	215	1	352
Randolph Fld. ISD	-	-	-	-	-	-	0
San Antonio ISD	0	0	0	1	167	15	183
Somerset ISD	-	-	-	-	-	-	0
South San Ant. ISD	4	0	0	7	12	9	32
Southside ISD	0	0	0	0	26	26	52
Southwest ISD	25	19	1	54	102	56	257
TOTAL	34	80	4	232	950	221	1,521

AG - Agriculture
DE - Distributive Education
HO - Health Occupations

HM - Homemaking
IE - Industrial Education
OO - Office Occupations

Chart 6 Cont'd.

ALAMO CONT'D.

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
COMAL CO.							
Comal ISD	0	0	0	0	29	2	31
New Braunfels ISD	0	3	1	13	3	0	20
TOTAL	0	3	1	13	32	2	51
FRIO CO.							
Dilley ISD	-	-	-	-	-	-	0
Pearsall ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
GILLESPIE CO.							
Doss CSD	-	-	-	-	-	-	0
Fredericksburg ISD	31	0	0	36	27	0	94
Harper ISD	-	-	-	-	-	-	0
TOTAL	31	0	0	36	27	0	94
GUADALUPE CO.							
Seguin ISD	0	0	0	0	24	0	24
Schertz-Cibolo U. City City ISD	-	-	-	-	-	-	0
Navarro ISD	-	-	-	-	-	-	0
Marion ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	24	0	24
KARNES CO.							
Karnes City ISD	-	-	-	-	-	-	0
Kenedy ISD	-	-	-	-	-	-	0
Runge ISD	-	-	-	-	-	-	0
Falls City ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
KENDALL CO.							
Boerne ISD	-	-	-	-	-	-	0
Comfort ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0

Chart 6 Cont'd.

ALAMO CONT'D.

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
KERR CO.							
Divide ISD	-	-	-	-	-	-	0
Center Point ISD	-	-	-	-	-	-	0
Hunt ISD	-	-	-	-	-	-	0
Kerrville ISD	-	-	-	-	-	-	0
Ingram ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
MEDINA CO.							
Devine ISD	56	0	0	0	0	0	56
D'Hanis ISD	-	-	-	-	-	-	0
Natalia ISD	34	0	0	0	0	0	34
Hondo ISD	-	-	-	-	-	-	0
Medina Valley ISD	0	0	0	0	13	0	13
TOTAL	90	0	0	0	13	0	103
WILSON CO.							
Foresville ISD	0	0	14	0	23	0	37
La Vernia ISD	-	-	-	-	-	-	0
Poth ISD	-	-	-	-	-	-	0
Stockdale ISD	-	-	-	-	-	-	0
TOTAL	0	0	14	0	23	0	37

COASTAL BEND

ARANSAS CO.							
Aransas Co. ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
BEE CO.							
Beeville ISD	1	3	1	29	83	0	117
Pawnee ISD	-	-	-	-	-	-	0
Pettus ISD	0	0	0	0	0	21	21
Skidmore-Tynan ISD	-	-	-	-	-	-	0
TOTAL	1	3	1	29	83	21	138

Chart 6 Cont'd.

COASTAL BEND CONT'D.

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
BROOKS CO.							
Brooks ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
DUVAL CO.							
Freer ISD	-	-	-	-	-	-	0
Ramirez ISD	-	-	-	-	-	-	0
Benavides ISD	0	0	0	0	0	32	32
San Diego ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	0	32	32
JIM WELLS CO.							
La Gloria ISD	-	-	-	-	-	-	0
Alice ISD	0	0	21	0	46	0	67
Ben Bolt-Palito Blanco ISD	-	-	-	-	-	-	0
Orange Grove ISD	-	-	-	-	-	-	0
Premont ISD	-	-	-	-	-	-	0
TOTAL	0	0	21	0	46	0	67
KENEDY CO.							
Kenedy Co. Wide CSD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
KLEBERG CO.							
Laureles ISD	-	-	-	-	-	-	0
Kingsville ISD	0	0	0	0	126	0	126
Ricardo ISD	-	-	-	-	-	-	0
Riviera ISD	-	-	-	-	-	-	0
Santa Gertrudis ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	126	0	126
LIVE OAK CO.							
George West ISD	16	0	0	0	0	0	16
Three Rivers ISD	0	0	24	0	27	0	51
TOTAL	16	0	24	0	27	0	67

Chart 6 Cont'd.

COASTAL BEND CONT'D.

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
MCMULLEN CO.							
McMullen ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
NUECES CO.							
Agua Dulce ISD	-	-	-	-	-	-	0
Bishop Cons. ISD	0	0	0	23	0	0	23
Calallen ISD	-	-	-	-	-	-	0
Corpus Christi ISD	0	36	1	135	258	6	436
Driscoll ISD	-	-	-	-	-	-	0
London ISD	-	-	-	-	-	-	0
Port Aransas ISD	-	-	-	-	-	-	0
Robstown ISD	0	0	0	0	24	0	24
Santa Cruz ISD	-	-	-	-	-	-	0
Tuloso-Midway ISD	0	0	0	31	30	0	61
Banquete ISD	-	-	-	-	-	-	0
Flour Bluff ISD	0	0	0	27	50	26	103
West Oso ISD	-	-	-	-	-	-	0
TOTAL	0	36	1	216	362	32	647
REFUGIO CO.							
Austwell-Tivoli ISD	-	-	-	-	-	-	0
Woodsboro ISD	-	-	-	-	-	-	0
Refugio ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
SAN PATRICIO CO.							
Aransas Pass ISD	0	0	1	0	21	0	22
Gregory-Portland ISD	4	12	0	2	31	0	49
Ingleside ISD	-	-	-	-	-	-	0
Mathis ISD	-	-	-	-	-	-	0
Odem ISD	-	-	-	-	-	-	0
Sinton ISD	0	0	0	0	18	0	18
Taft ISD	0	0	0	15	24	0	39
TOTAL	4	12	1	17	94	0	128

Chart 6 Cont'd.

	<u>LOWER RIO GRANDE VALLEY</u>						<u>Total</u>
	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	
CAMERON CO.							
Brownsville ISD	0	1	0	84	226	50	361
Harlingen ISD	-	-	-	-	-	-	0
La Feria ISD	0	0	0	0	0	30	30
Los Fresnos ISD	0	0	0	0	71	0	71
Point Isabel ISD	3	0	0	8	31	24	66
Rio Hondo ISD	28	0	0	0	0	0	28
San Benito Cons. ISD	-	-	-	-	-	-	0
Santa Maria ISD	-	-	-	-	-	-	0
Santa Rosa ISD	-	-	-	-	-	-	0
South Texas ISD	-	-	-	-	-	-	0
TOTAL	31	1	0	92	328	104	556
HIDALGO CO.							
Valley View ISD	-	-	-	-	-	-	0
Donna ISD	0	0	0	46	78	0	124
Edcouch-Elsa ISD	0	0	0	15	45	20	80
Edinburg ISD	0	0	0	35	134	0	169
McAllen ISD	0	0	0	0	60	0	60
Mercedes ISD	1	1	0	46	188	22	258
Mission ISD	0	0	0	22	0	48	70
Pharr-San Juan- Alamo ISD	0	5	0	7	176	0	188
Progreso ISD	-	-	-	-	-	-	0
Sharyland ISD	-	-	-	-	-	-	0
La Joya ISD	0	0	0	32	89	0	121
Westaco ISD	0	0	0	52	83	0	135
La Villa ISD	-	-	-	-	-	-	0
Monte Alto ISD	-	-	-	-	-	-	0
TOTAL	1	6	0	255	853	90	1,205
WILLACY CO.							
Lasara ISD	-	-	-	-	-	-	0
Lyford ISD	0	0	0	0	51	32	83
Raymondville ISD	-	-	-	-	-	-	0
San Perlita ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	51	32	83

Chart 6 Cont'd.

MIDDLE RIO GRANDE

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
DIMMIT CO.							
Asherton ISD	-	-	-	-	-	-	0
Carrizo Springs ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
EDWARDS CO.							
Carta Valley ISD	-	-	-	-	-	-	0
Rocksprings ISD	0	0	0	0	20	0	20
Nueces Canyon ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	20	0	20
KINNEY CO.							
Brackett ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
LA SALLE CO.							
Cotulla ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
MAVERICK CO.							
Eagle Pass ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
REAL CO.							
Leakey ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
UVALDE CO.							
Knippa ISD	-	-	-	-	-	-	0
Sabinal ISD	-	-	-	-	-	-	0
Uvalde Cons. ISD	-	-	-	-	-	-	0
Utopia ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0

Chart 6 Cont'd.

MIDDLE RIO GRANDE CONT'D.

	<u>AG</u>	<u>DE</u>	<u>HO</u>	<u>HM</u>	<u>IE</u>	<u>OO</u>	<u>Total</u>
VAL VERDE CO.							
Juno ISD	-	-	-	-	-	-	0
San Felipe-De1 Rio ISD	4	12	0	57	98	2	173
Comstock ISD	-	-	-	-	-	-	0
TOTAL	4	12	0	57	98	2	173
ZAVALA CO.							
Crystal City ISD	-	-	-	-	-	-	0
La Pryor ISD	0	0	0	0	23	0	23
TOTAL	0	0	0	0	23	0	23
SOUTH TEXAS							
JIM HOGG CO.							
Jim HOGG ISD	-	-	-	-	-	-	0
TOTAL	-	-	-	-	-	-	0
STARR CO.							
Rio Grande City ISD	0	0	0	0	76	25	101
San Isidro ISD	-	-	-	-	-	-	0
Roma ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	0	76	25	101
WEBB CO.							
Webb Cons. ISD	-	-	-	-	-	-	0
Laredo ISD	0	0	0	109	138	57	304
Mirando City ISD	-	-	-	-	-	-	0
United ISD	-	-	-	-	-	-	0
TOTAL	0	0	0	109	138	57	304
ZAPATA CO.							
Zapata ISD	0	0	0	0	30	29	59
TOTAL	0	0	0	0	30	29	59
BASIN TOTAL	289	153	67	1,056	3,424	647	5,636

SOURCE: Texas Education Agency

Chart 7

MEDICALLY UNDERSERVED AREAS IN THE
GREATER SOUTH TEXAS CULTURAL BASIN

Counties

Atascosa	Karnes	Medina
Bee	Kendall	Refugio
Brooks	Kenedy	Starr
Dimmit	Kerr	Uvalde
Duval	Kinney	Val Verde
Edwards	Kleberg	Willacy
Frio	La Salle	Zapata
Jim Hogg	Live Oak	Zavala
Jim Wells	Maverick	

Minor Civil Division

Real County, Camp Wood Division

Census Tracts (Selected) Within Certain Counties

Bexar	Nueces
Cameron	San Patricio
Guadalupe	Webb
Hidalgo	

SOURCE: U.S. Department of Health, Education, and Welfare, Public Health Service, Federal Register, Vol. 41, No. 201, October 15, 1976.

Chart 8

STUDENTS RECEIVING LOANS, GRANTS
OR SCHOLARSHIPS FROM THE
STATE RURAL MEDICAL EDUCATION BOARD
AND PENDING APPLICATIONS

STATISTICAL REPORT AS OF JUNE 28, 1978

Total Students Under Contract: 92

Year Scheduled to Complete Medical School

1977	1978	1979	1980	1981	1982	Withdrawn
2	10	27	27	15	10	1

Medical School Attending

UT Houston 9	UT Galveston 18	Emory 1
Baylor 3	Meharry 3	TCOM 7
UT San Antonio 20	Southwestern 4	Kirksville Mo. 1
Texas Tech 3	Univ. of Minnesota 1	Guadalajara 17
Monterrey 2	Dom. Republic 1	Phillippines 1

Sex: Male 82
Female 10

Race: Anglo 74 SSA 11
Black 5 Other 2

Pending Applications

<u>Complete</u>		<u>Incomplete</u>
Ready for Board Action		Need Additional Information
Texas and U.S. Schools	9	1
Foreign School	4	16
TOTAL	13	17

STATISTICAL REPORT AS OF SEPTEMBER 12, 1978

Number of entering medical students under contract entering school
September 1978: 10

Pending Applications

<u>Complete</u>		<u>Incomplete</u>	
Texas & U.S. Schools/Amount Requested		Texas & U.S. Schools/Amount Requested	
19	\$72,424	3	\$14,800
Foreign Schools/Amount Requested		Foreign Schools/Amount Requested	
6	\$36,500	14	\$110,880

SOURCE: State Rural Medical Education Board

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COMPARISON OF RESIDENT POPULATION AND ESTIMATED PROJECTIONS,
UNITED STATES, TEXAS, GREATER SOUTH TEXAS CULTURAL BASIN,
1960, 1970, 1976

Year	United States	Texas	Texas as % of U.S.	Greater South Texas Cultural Basin	GSTCB as % of Texas
1960	179,323,000	9,579,677	5.3	1,788,363	18.7
1970	203,235,000	11,196,730	5.5	1,958,370	17.5
1976*	214,649,000	12,487,000	5.8	2,203,900	17.7

Table 2
POPULATION CHANGES IN THE GREATER SOUTH TEXAS
CULTURAL BASIN BY STATE PLANNING REGIONS AND COUNTIES
1960, 1970, 1976

State Planning Region	1960 (1,000)	1970 (1,000)	% Change 1960-1970	1976* (1,000)	% Change 1970-1976
Alamo	848.8	1,006.5	18.6	1,117.0	11.0
Coastal Bend	404.8	420.4	3.9	436.6	3.9
Lower Rio Grande Valley	352.1	337.5	-4.1	427.2	26.6
Middle Rio Grande	91.4	94.5	3.4	108.9	15.2
South Texas	91.3	99.6	9.0	114.2	14.7
GSTCB	1,788.4	1,958.5	9.5	2,203.9	12.5
Texas	9,579.7	11,196.7	16.9	12,487.0	11.5
ALAMO					
Atascosa	18.8	18.7	-0.5	20.2	8.1
Bandera	3.9	4.7	20.5	5.8	22.7
Bexar	687.2	830.5	20.9	918.9	10.7
Comal	19.8	24.2	22.2	29.5	22.0
Frio	10.1	11.2	10.9	12.6	13.3
Gillespie	10.0	10.5	5.0	12.0	13.6
Guadalupe	29.0	33.5	15.5	38.8	15.7
Karnes	15.0	13.5	-10.0	12.4	-7.6
Kendall	5.9	7.0	18.6	8.7	25.6
Kerr	16.8	19.5	16.1	22.4	15.3
Medina	18.9	20.2	6.9	21.7	7.2
Wilson	13.3	13.0	-2.3	14.0	7.3
TOTAL	848.8	1,006.5	18.6	1,117.0	11.0

*Provisional estimates

Table 2 Cont'd

State Planning Region	1960 (1,000)	1970 (1,000)	% Change 1960-1970	1976* (1,000)	% Change 1970-1976
COASTAL BEND					
Aransas	7.0	8.9	27.1	10.8	21.2
Bee	23.8	22.7	-4.6	23.1	1.5
Brooks	8.6	8.0	-7.0	7.8	-3.0
Duval	13.4	11.7	-12.7	12.0	2.0
Jim Wells	34.5	33.0	-4.3	34.2	3.5
Kenedy	0.9	0.7	-22.2	0.6	-14.0
Kleberg	30.1	33.2	10.3	33.3	0.3
Live Oak	7.8	6.7	-14.2	6.7	-0.6
McMullen	1.1	1.1	-1.9	0.8	-26.8
Nueces	221.6	237.6	7.2	247.6	4.2
Refugio	11.0	9.5	-13.6	8.9	-6.1
San Patricio	45.0	47.3	5.1	50.8	7.5
TOTAL	404.8	420.4	3.9	436.6	3.9
LOWER RIO GRANDE VALLEY					
Cameron	151.1	140.4	-7.1	179.5	27.9
Hidalgo	180.9	181.5	0.3	230.3	26.9
Willacy	20.1	15.6	-22.4	17.4	11.9
TOTAL	352.1	337.5	-4.1	427.2	26.6
MIDDLE RIO GRANDE					
Dimmit	10.1	9.0	-10.9	11.0	21.9
Edwards	2.3	2.1	-8.7	2.0	-3.9
Kinney	2.4	2.0	-16.7	2.3	14.1
La Salle	6.0	5.0	-16.7	5.5	8.9
Maverick	14.5	18.1	24.8	22.5	24.4
Real	2.1	2.0	4.8	2.1	5.6
Uvalde	16.8	17.3	3.0	19.4	12.0
Val Verde	24.5	27.5	12.2	32.4	17.8
Zavala	12.7	11.4	-10.2	11.7	3.2
TOTAL	91.4	94.5	3.4	108.9	15.2
SOUTH TEXAS					
Jim Hogg	5.0	4.7	-6.0	4.5	-2.6
Starr	17.1	17.7	3.5	21.8	23.1
Webb	64.8	72.8	12.3	82.7	13.6
Zapata	4.4	4.4	-0.9	5.2	18.6
TOTAL	91.3	99.6	9.0	114.2	14.7

Sources: U.S. Department of Commerce, Bureau of the Census, 1960 Census of the Population, and "Population Estimates and Projections," Series P-25, No. 636 and No. 717, Washington, D.C.

Table 3

**Ethnic Distribution of Population in the
Greater South Texas Cultural Basin, 1970**

SUMMARY

Council of Governments	Total Population	Black		Spanish-American	
		Number	Percent	Number	Percent
Alamo Area	1,006,504	62,576	6.2	435,682	43.3
Coastal Bend	420,360	16,314	3.9	197,615	47.0
Lower Rio Grande	337,473	2,919	0.9	262,572	77.8
Middle Rio Grande	94,461	1,380	1.5	64,131	67.9
South Texas	99,572	1,399	1.4	87,969	88.3
GSTCB Total	1,958,370	84,588	4.3	1,047,969	53.5

COUNTY

Alamo Area					
Atascosa	18,696	210	1.1	9,603	51.4
Bandera	4,747	27	0.6	439	9.2
Bexar	830,460	56,630	6.8	376,027	45.3
Comal	24,165	409	1.7	7,018	29.0
Frio	11,159	124	1.1	7,711	69.1
Gillespie	10,553	73	0.69	1,030	9.8
Guadalupe	33,554	3,257	9.7	9,099	27.1
Karnes	13,462	438	3.3	5,515	41.0
Kendall	6,964	30	0.43	1,416	20.3
Kerr	19,454	764	3.9	2,595	13.3
Medina	20,249	390	1.9	9,822	48.5
Wilson	13,041	224	1.7	5,407	41.5
Total	1,006,504	62,576	6.2	435,682	43.3
Coastal Bend					
Aransas	8,902	411	4.6	2,372	26.7
Bee	22,737	616	2.7	8,892	39.1
Brooks	8,005	108	1.3	6,399	79.9
Duval	11,722	27	0.23	9,905	84.5
Jim Wells	33,032	409	1.2	21,125	64.0
Kenedy	678	0	0.0	532	78.5
Kleberg	33,166	1,474	4.4	14,560	43.9
Live Oak	6,697	94	1.4	2,703	40.4
McMullen	1,095	7	0.64	743	67.9
Nueces	237,544	11,096	4.7	103,543	43.6
Refugio	9,494	927	9.8	3,610	38.0
San Patricio	47,288	1,145	2.4	23,231	49.1
Total	420,360	16,314	3.9	197,615	47.0

Table 3 Cont'd.

SUMMARY

Council of Governments	Total Population	Black		Spanish-American	
		Number	Percent	Number	Percent
Lower Rio Grande					
Cameron	140,368	1,395	0.99	107,000	76.2
Hidalgo	181,535	1,416	0.78	143,611	79.1
Willacy	15,570	108	0.69	11,961	76.8
Total	337,473	2,919	0.9	262,572	77.8
Middle Rio Grande					
Dimmit	9,039	112	1.24	7,381	81.7
Edwards	2,107	6	0.28	922	43.8
Kinney	2,006	121	6.0	1,448	72.2
LaSalle	5,014	9	0.18	3,931	78.4
Maverick	18,093	18	0.06	16,347	90.3
Real	2,013	4	0.198	476	23.6
Uvalde	17,348	309	1.8	8,802	50.7
Val Verde	27,471	763	2.8	15,549	56.6
Zavala	11,370	38	0.33	9,275	81.6
Total	94,461	1,380	1.5	64,131	67.9
South Texas					
Jim Hogg	4,654	47	1.0	4,275	91.9
Starr	17,707	86	0.49	17,330	97.9
Webb	72,859	1,257	1.7	62,380	85.6
Zapata	4,352	9	0.21	3,984	91.5
Total	99,572	1,399	1.4	87,969	88.3
GSTCB Total	1,958,370	84,588	4.3	1,047,969	53.5

Source: U.S. Department of Commerce, Bureau of the Census, *General Social and Economic Characteristics, 1970 Census Population*, U.S. Government Printing Office, Washington, D.C.

Table 4

**Urban and Rural Components of the Population
in the Greater South Texas Cultural Basin, 1970¹**

SUMMARY—COUNCILS OF GOVERNMENT AREAS

	Total Population	% Urban	% Rural
Alamo Area	1,006,504	87.0	13.0
Coastal Bend	420,360	81.3	18.7
Lower Rio Grande	337,473	74.5	25.5
Middle Rio Grande	94,461	71.8	28.2
South Texas	99,572	80.3	19.7

¹These figures have been adjusted to reflect COG structures instead of Planning Regions as referenced in the source.

Source: Texas Office of Economic Opportunity, Texas Department of Community Affairs, *Poverty in Texas*, Austin, Texas, 1974.

Table 5

AGE DISTRIBUTION IN THE GREATER SOUTH TEXAS
CULTURAL BASIN BY COUNCIL OF GOVERNMENTS AREAS, 1970

SUMMARY

COUNCIL OF GOVERNMENTS	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
AACOG	113,549	283,194	174,285	220,353	215,123	1,006,504
CBCOG	49,292	123,014	71,696	93,040	83,318	420,360
LRGVDC	45,032	109,517	48,641	68,008	66,275	337,473
MRGDC	12,327	28,924	14,790	19,016	19,404	94,461
STDC	13,490	30,939	15,575	19,827	19,741	99,572
GSTCB Total	233,690	575,588	324,987	420,244	403,861	1,958,370
State Total	1,218,659	2,995,061	1,928,648	2,553,006	2,501,356	11,196,730

Source: U. S. Department of Commerce, Bureau of the Census, Characteristics of the Population, 1970 Census of Population, U. S. Government Printing Office, Washington, D.C.

Table 5 Cont'd.

COUNTY

ALAMO AREA COUNCIL OF GOVERNMENTS	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Atascosa	2,131	5,367	2,478	3,701	5,010	18,696
Bandera	312	1,112	457	953	1,913	4,747
Bexar	95,693	236,626	151,798	184,140	162,203	830,460
Comal	2,324	6,154	3,278	5,402	7,007	24,165
Frio	1,608	3,380	1,582	2,065	2,524	11,159
Gillespie	864	2,497	1,045	2,162	3,985	10,553
Guadalupe	3,490	8,843	5,188	7,013	9,020	33,554
Karnes	1,455	3,906	1,487	2,772	3,842	13,462
Kendall	603	1,632	797	1,540	2,392	6,964
Kerr	1,375	4,095	1,839	3,712	8,433	19,454
Medina	2,268	5,917	2,642	4,271	5,151	20,249
Wilson	1,426	3,665	1,685	2,622	3,643	13,041
Total	113,549	283,194	174,285	220,353	215,123	1,006,504

Table 5 Cont'd.

COUNTY

COASTAL BEND COUNCIL OF GOVERNMENTS	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Aransas	864	2,305	942	1,914	2,877	8,902
Bee	2,536	6,253	4,742	4,534	4,672	22,737
Brooks	946	2,500	1,078	1,723	1,758	8,005
Duval	1,328	3,529	1,434	2,387	3,044	11,722
B-9 Jim Wells	4,013	10,115	4,692	7,300	6,912	33,032
Kenedy	76	218	104	150	130	678
Kleberg	3,696	8,357	9,961	6,026	5,126	33,166
Live Oak	731	1,743	830	1,363	2,030	6,697
McMullen	104	302	119	232	338	1,095
Nueces	27,923	70,051	40,095	54,808	44,667	237,544
Refugio	985	2,830	1,132	2,053	2,494	9,494
San Patricio	6,090	14,811	6,567	10,550	9,270	47,288
Total	49,292	123,014	71,696	93,040	83,318	420,360

Table 5 Cont'd.

COUNTY

LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Cameron	18,475	45,038	19,241	28,826	28,788	140,368
Hidalgo	24,572	59,245	27,240	36,268	34,210	181,535
Willacy	1,985	5,234	2,160	2,914	3,277	15,570
Total	45,032	109,517	48,641	68,008	66,275	337,473

COUNTY

MIDDLE RIO GRANDE DEVELOPMENT COUNCIL	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Dimmit	1,236	2,979	1,238	1,719	1,867	9,039
Edwards	256	597	231	429	594	2,107
Kinney	199	616	220	429	542	2,006
LaSalle	641	1,493	687	910	1,283	5,014
Maverick	2,579	6,155	2,556	3,671	3,132	18,093
Real	218	519	225	369	682	2,013
Uvalde	2,026	4,869	2,476	3,496	4,481	17,348

Table 5 Cont'd.

COUNTY

MIDDLE RIO GRANDE DEVELOPMENT COUNCIL	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Val Verde	3,576	7,951	5,504	5,895	4,545	27,471
Zavala	1,596	3,745	1,653	2,098	2,278	11,370
Total	12,327	28,924	14,790	19,016	19,404	94,461

COUNTY

SOUTH TEXAS DEVELOPMENT COUNCIL	0-5 yrs	6-18 yrs	19-29 yrs	30-49 yrs	50 yrs & Over	Total
Jim Hogg	552	1,343	571	968	1,220	4,654
Starr	2,413	5,851	2,338	3,510	3,595	17,707
Webb	10,012	22,528	12,111	14,499	13,709	72,859
Zapata	513	1,217	555	850	1,217	4,352
Total	13,490	30,939	15,575	19,827	19,741	99,572

Table 6

LABOR FORCE AND UNEMPLOYMENT IN THE GREATER SOUTH TEXAS CULTURAL BASIN
BY STATE PLANNING REGIONS AND BY COUNTIES, ANNUAL AVERAGE 1977

State Planning Region	Labor Force	Unemployment	Rate (%)
Alamo	443,611	29,409	6.6
Coastal Bend	176,308	11,301	6.4
Lower Rio Grande Valley	155,183	17,571	11.3
Middle Rio Grande	37,337	4,728	12.7
South Texas	40,213	5,850	14.6
GSTCB	852,652	68,859	8.1
Texas	5,785,600	309,400	5.3
United States			7.0
<hr/>			
ALAMO			
Atascosa	8,135	407	5.0
Bandera	1,940	115	5.9
Bexar	364,523	25,521	7.0
Comal	11,414	840	7.4
Frio	4,883	336	6.9
Gillespie	4,975	156	3.1
Guadalupe	15,154	854	5.6
Karnes	5,696	212	3.7
Kendall	3,697	100	2.7
Kerr	9,490	216	2.3
Medina	8,731	447	5.1
Wilson	4,973	205	4.1
TOTAL	443,611	29,409	6.6
<hr/>			
COASTAL BEND			
Aransas	3,861	173	4.5
Bee	8,229	408	5.0
Brooks	2,701	232	8.6
Duval	4,088	203	5.0
Jim Wells	12,271	678	5.5
Kenedy	309	17	5.5
Kleberg	11,524	514	4.5
Live Oak	2,593	103	4.0
McMullen	439	18	4.1
Nueces	104,912	7,450	7.1
Refugio	4,491	178	4.0
San Patricio	20,890	1,327	6.4
TOTAL	176,308	11,301	6.4

Table 6 Cont'd

State Planning Region	Labor Force	Unemployment	Rate (%)
LOWER RIO GRANDE VALLEY			
Cameron	69,687	7,864	11.3
Hidalgo	80,647	9,242	11.5
Willacy	4,849	465	9.6
TOTAL	155,183	17,571	11.3
MIDDLE RIO GRANDE			
Dimmit	4,066	401	9.9
Edwards	722	39	5.4
Kinney	870	61	7.0
La Salle	1,791	169	9.4
Maverick	8,184	1,720	21.0
Real	858	62	7.2
Uvalde	7,554	468	6.2
Val Verde	9,381	1,227	13.1
Zavala	3,911	581	14.9
TOTAL	37,337	4,728	12.7
SOUTH TEXAS			
Jim Hogg	1,746	112	6.4
Starr	7,199	1,722	23.9
Webb	29,606	3,793	12.8
Zapata	1,662	223	13.4
TOTAL	40,213	5,850	14.6

Source: Texas Employment Commission, "Labor Force Estimates for Texas Counties, Annual Average 1977 (2-78)," Austin, Texas.

Table 7

COMPARISON OF ANNUAL AVERAGE UNEMPLOYMENT RATES FOR 1975, 1976, AND 1977
BY STATE PLANNING REGIONS AND BY COUNTIES

State Planning Region	Unemployment Rates		
	1975	1976	1977
Alamo	7.1	7.5	6.6
Coastal Bend	5.8	6.4	6.4
Lower Rio Grande Valley	9.4	11.2	11.3
Middle Rio Grande	8.9	12.3	12.7
South Texas	15.9	17.9	14.6
GSTCB	7.7	8.6	8.1
Texas	5.6	5.7	5.3
United States	8.5	7.8	7.0
<hr/>			
ALAMO			
Atascosa	4.1	4.4	5.0
Bandera	3.6	4.4	5.9
Bexar	7.7	8.0	7.0
Comal	4.7	5.0	7.4
Frio	5.4	6.4	6.9
Gillespie	3.6	3.7	3.1
Guadalupe	6.7	7.0	5.6
Karnes	3.5	4.4	3.7
Kendall	2.6	3.3	2.7
Kerr	2.5	2.6	2.3
Medina	5.5	5.3	5.1
Wilson	4.0	3.9	4.1
<hr/>			
COASTAL BEND			
Aransas	3.9	4.3	4.5
Bee	4.0	5.3	5.0
Brooks	5.9	7.9	8.6
Duval	4.3	4.5	5.0
Jim Wells	4.7	5.4	5.5
Kenedy	4.9	6.6	5.5
Kleberg	3.4	4.0	4.5
Live Oak	4.0	4.9	4.0
McMullen	4.5	5.0	4.1
Nueces	6.4	6.9	7.1
Refugio	3.2	3.4	4.0
San Patricio	6.8	7.4	6.4

Table 7 Cont'd

State Planning Region	Unemployment Rates		
	1975	1976	1977
LOWER RIO GRANDE VALLEY			
Cameron	9.5	11.1	11.3
Hidalgo	9.4	11.3	11.5
Willacy	7.2	9.4	9.6
MIDDLE RIO GRANDE			
Dimmit	8.3	9.8	9.9
Edwards	3.1	5.3	5.4
Kinney	6.2	6.6	7.0
La Salle	6.4	10.2	9.4
Maverick	13.6	18.8	21.0
Real	4.3	6.0	7.2
Uvalde	4.5	6.9	6.2
Val Verde	10.3	13.6	13.1
Zavala	9.7	13.4	14.9
SOUTH TEXAS			
Jim Hogg	4.4	5.4	6.4
Starr	23.4	27.0	23.9
Webb	15.3	16.7	12.8
Zapata	10.4	13.4	13.4

Sources: Texas Employment Commission, "Labor Force Estimates for Texas Counties, Annual Average 1977 (2-78)," "Labor Force Estimates for Texas Counties, Annual Average 1976 (Revised 2-7-77)," and "Labor Force Estimates for Texas Counties, Annual Average 1975," Austin, Texas.

Table 8

PER CAPITA INCOME IN THE GREATER SOUTH TEXAS CULTURAL BASIN, BY COUNTY

County	1970 (\$)	1971 (\$)	1972 (\$)	1973 (\$)	1974 (\$)	1975 (\$)
Aransas	3,400	3,672	3,838	4,341	4,918	5,443
Atascosa	3,122	3,288	3,550	3,996	4,352	4,921
Bandera	4,342	3,116	3,469	3,700	4,321	4,742
Bee	2,788	2,780	3,025	3,291	3,636	3,836
Bexar	3,423	3,665	3,968	4,304	4,698	5,110
Brooks	1,926	1,843	2,010	2,327	2,676	3,021
Cameron	2,325	2,536	2,738	3,103	3,545	3,776
Comal	3,942	3,961	4,062	4,464	4,904	5,383
Dimmit	1,604	1,847	1,978	2,928	2,787	3,127
Duval	1,975	2,080	2,440	3,106	4,087	4,365
Edwards	3,091	3,445	3,721	5,010	4,534	4,210
Frio	2,832	2,846	3,386	4,152	3,961	4,541
Gillespie	3,196	3,316	3,645	4,711	4,972	5,461
Guadalupe	2,871	2,979	3,260	3,644	4,086	4,387
Hidalgo	2,064	2,208	2,393	2,891	3,247	3,362
Jim Hogg	2,249	2,465	2,936	3,532	3,767	3,548
Jim Wells	2,435	2,456	2,735	3,020	3,558	4,018
Karnes	2,431	2,557	2,799	3,229	3,561	3,710

Table 8 Cont'd

County	1970 (\$)	1971 (\$)	1972 (\$)	1973 (\$)	1974 (\$)	1975 (\$)
Kendall	4,242	4,456	4,309	4,755	5,203	5,742
Kenedy	6,918	6,366	8,676	7,523	7,930	7,672
Kerr	3,764	3,969	4,666	5,141	5,818	6,321
Kinney	2,939	3,944	3,877	6,031	3,793	4,752
Kleberg	2,568	2,731	2,873	3,062	3,429	3,916
La Salle	2,943	2,878	3,565	4,457	4,663	4,938
Live Oak	2,893	2,613	3,327	3,863	3,728	4,577
McMullen	3,846	4,282	5,644	7,144	7,626	7,948
Maverick	1,715	1,915	2,129	2,301	2,708	3,067
Medina	2,796	2,846	3,142	3,636	3,840	4,221
Nueces	3,333	3,425	3,666	4,091	4,714	5,132
Real	1,342	1,580	1,818	1,686	2,749	2,470
Refugio	2,937	2,890	3,153	3,983	4,579	5,014
San Patricio	2,852	2,988	3,092	3,675	4,014	4,399
Starr	1,663	1,808	1,882	2,737	2,663	2,981
Uvalde	2,779	3,024	3,175	3,661	3,878	4,118
Val Verde	2,748	2,942	3,147	3,424	3,606	3,766
Webb	2,319	2,372	2,559	2,785	3,196	3,436
Willacy	1,862	2,067	2,253	2,745	3,132	2,882

Table 8 Cont'd

County	1970 (\$)	1971 (\$)	1972 (\$)	1973 (\$)	1974 (\$)	1975 (\$)
Wilson	2,877	2,816	3,138	3,633	3,570	3,747
Zapata	1,699	1,912	2,272	2,859	2,889	3,395
Zavala	1,990	1,952	2,240	3,005	3,100	3,636
Texas	3,606	3,747	4,102	4,631	5,106	5,635
United States	3,966	4,195	4,537	5,049	5,486	5,903

Source: U.S. Department of Commerce, Bureau of Economic Analysis, "Local Personal Income 1970-1975, Volume 7: Southwest Region," (PB 270 886), August 1977, Washington, D.C.

Table 9

**Selected Poverty Indicators in the
Greater South Texas Cultural Basin**

Poverty Indicator	Alamo ¹	Middle Rio Grande	South Texas	Coastal Bend ¹	Lower Rio Grande Valley
Incidence of Poverty for population of Spanish Surname or Language, 1970	31.0	55.5	51.7	41.9	56.8
Incidence of Poverty for White population minus population of Spanish Surname or Language, 1970	11.1	14.1	11.0	9.6	18.8
Percent Population Aged 0-14, 1970	31.0	35.0	36.1	32.3	36.1
Percent Population Aged 65+, 1970	8.7	8.4	8.2	7.0	8.2
Incidence of Poverty for Population Aged 0-17, 1970	27.7	50.2	53.9	29.2	56.6
Incidence of Poverty for Population Aged 65+, 1970	31.2	44.1	54.1	38.6	44.7
Number of Persons served by Food Stamps or Commodity, August, 1973	97,358	15,399	21,875	51,880	107,079
Percent of Poor Population served by Food Stamps or Commodity, August, 1973	47.9	38.6	47.0	48.2	65.8

¹These figures have been adjusted to reflect COG structures instead of Planning Regions as referenced in the source.

Source: Texas Office of Economic Opportunity, Texas Department of Community Affairs, *Poverty in Texas*, Austin, Texas 1974.

Table 10

ESTIMATED IMPACT ON THE MAJOR SECTORS OF THE GREATER SOUTH TEXAS
CULTURAL BASIN ECONOMY DUE TO THE LOSS OF HOUSEHOLD INCOME

MAJOR SECTOR	IMPACT
Agriculture	\$ 1,722,000
Regional Manufacturing	7,592,000
Transportation	2,338,000
Wholesale Trade	7,724,000
Retail Trade	27,490,000
Finance, Insurance and Real Estate	5,338,000
Services	24,630,000
Payments to Government	25,333,000
Payments to Local Government	6,434,000
TOTAL	\$108,601,000

SOURCE: Industrial Economics Research Division, Texas A&M University,
College Station, Texas, 1976

Table 11

EDUCATIONAL CHARACTERISTICS OF THE POPULATION
IN THE
GREATER SOUTH TEXAS CULTURAL BASIN, 1970

Council of Governments	EDUCATION (Persons 25 yrs. & Over)				
	Median Educ. Level Yrs.	Population with less than 8 yr. Completed Education		High School Graduates	
		(Number)	(Percent)	(Number)	(Percent)
Alamo Area	11.2	142,089	28.5	224,317	45.0
Coastal Bend	11.1	61,653	30.6	89,359	44.3
Lower Rio Grande	7.8	76,356	50.3	48,773	32.1
Middle Rio Grande	8.4	20,454	46.7	13,756	31.4
South Texas	7.1	24,815	55.0	13,142	29.1
State Total	11.6	1,281,468	22.0	2,756,519	47.4
GSTCB Total	10.3	325,367	34.6	389,347	41.4

Source: U.S. Department of Commerce, Bureau of the Census,
General Social and Economic Characteristics, 1970
Census of Population, U.S. Government Printing Office,
Washington, D.C.

Table 12

MINORITY ENROLLMENT IN TEXAS MEDICAL SCHOOLS,
FIRST YEAR STUDENTS 1976-77 SCHOOL YEAR

	<u>Univ. of Texas System</u>	<u>Baylor</u>	<u>Texas Tech</u>	<u>A11*</u>
Total Applications	2713	3671	1417	7801
Total Placements	638	168	40	846
Percent Placed	23.5	4.6	2.8	10.8
Black Applicants	85	166	42	293
Percent of Total Applicants	3.1	4.5	3.0	3.8
Black Placements	15	6	1	22
Percent of Total Placed	2.4	3.6	2.5	2.6
Spanish Surnamed Applicants	181	157	90	428
Percent of Total Applicants	6.7	4.3	6.4	5.5
Spanish Placements	44	21	5	70
Percent of Total Placed	6.9	12.5	12.5	8.3
Women Applicants	624	848	271	1743
Percent of Total Applicants	23.0	23.1	19.1	22.3
Women Placed	129	38	6	173
Percent of Total Placed	20.2	22.6	15.0	20.5

* Texas A&M did not enroll students until the 1977-78 school year.

Source: Unpublished data, Coordinating Board, Texas College and University System, Austin, Texas, 1978.

Table 13

Health Manpower in the Greater South Texas
Cultural Basin

Cogs/Counties	1976 Pop. Estimates	Primary Care Physicians	Pop./ Physician	Dentists	Pop./ Dentist	R.N.s	Pop./ R.N.	L.V.N.s	Pop./ L.V.N.
ALAMO AREA COUNCIL OF GOVERNMENTS									
Atascosa	20,200	5	4040:1	6	3367:1	36	561:1	44	459:1
Bandera	5,800	2	2900:1	1	5800:1	5	1160:1	10	580:1
Bexar	918,900	1,333	689:1	434	2117:1	2,525	364:1	2,918	311:1
Comal	29,500	22	1341:1	17	1735:1	56	527:1	79	373:1
Frio	12,600	6	2100:1	1	12,600:1	12	1050:1	30	420:1
Gillespie	12,000	10	1200:1	5	2400:1	32	375:1	59	203:1
Guadalupe	38,800	19	2042:1	13	2985:1	52	746:1	61	636:1
Karnes	12,400	5	2480:1	5	2480:1	16	775:1	41	302:1
Kendall	8,700	9	967:1	4	2175:1	31	281:1	14	621:1
Kerr	22,400	42	533:1	17	1318:1	122	184:1	134	167:1
Medina	21,700	6	3617:1	5	4340:1	24	904:1	24	904:1
Wilson	14,000	5	2800:1	2	7000:1	20	700:1	24	583:1

Table 13 Cont'd

Health Manpower in the Greater South Texas
Cultural Basin

Cogs/Counties	1976 Pop. Estimates	Primary Care Physicians	Pop./ Physician	Dentists	Pop./ Dentist	R.N.s	Pop./ R.N.	L.V.N.s	Pop./ L.V.N.
<u>COASTAL BEND COUNCIL OF GOVERNMENTS</u>									
Aransas	10,800	6	1800:1	2	5400:1	10	1080:1	8	1350:1
Bee	23,100	11	2100:1	6	3850:1	36	642:1	49	471:1
Brooks	7,800	4	1950:1	1	7800:1	6	1300:1	15	520:1
Duval	12,000	5	2400:1	1	12,000:1	4	3000:1	9	1333:1
Jim Wells	34,200	17	2012:1	5	6840:1	31	1103:1	87	393:1
Kleberg	33,300	16	2081:1	12	2775:1	35	951:1	58	574:1
Live Oak	6,700	3	2233:1	1	6700:1	7	957:1	11	609:1
McMullen	800	0	-	0	-	0	-	1	800:1
Nueces	247,600	377	658:1	115	2153:1	573	432:1	1046	238:1
Refugio	8,900	4	2225:1	1	8900:1	11	809:1	36	247:1
San Patricio	50,800	26	1954:1	13	3908:1	64	794:1	93	546:1
<u>LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL</u>									
Cameron	179,500	131	1370:1	37	4851:1	203	884:1	346	519:1
Hidalgo	230,300	144	1599:1	34	6774:1	274	841:1	414	556:1
Willacy	17,400	6	2900:1	3	5800:1	20	870:1	28	621:1

Health Manpower in the Greater South Texas
Cultural Basin

Cogs/Counties	1976 Pop. Estimates	Primary Care Physicians	Pop./ Physician	Dentists	Pop./ Dentist	R.N.s	Pop./ R.N.	L.V.N.s	Pop./ L.V.N.
<u>MIDDLE RIO GRANDE DEVELOPMENT COUNCIL</u>									
Dimmit	11,000	3	3667:1	1	11,000:1	5	2200:1	21	524:1
Edwards	2,000	1	2000:1	0	-	1	2000:1	2	1000:1
Kinney	2,300	0	-	0	-	0	-	2	1150:1
LaSalle	5,500	1	5500:1	1	5500:1	3	1833:1	6	917:1
Maverick	22,500	9	2500:1	1	22,500:1	15	1500:1	24	938:1
Real	2,100	0	-	1	2100:1	0	-	3	700:1
Uvalde	19,400	13	1492:1	6	3233:1	30	647:1	41	473:1
Val Verde	32,400	13	2492:1	7	4629:1	39	831:1	52	623:1
Zavala	11,700	4	2925:1	1	11,700:1	4	2925:1	9	1300:1
<u>SOUTH TEXAS DEVELOPMENT COUNCIL</u>									
Jim Hogg	4,500	2	2250:1	0	-	2	2250:1	6	750:1
Starr	21,800	6	3633:1	1	21,800:1	15	1453:1	17	1282:1
Webb	82,700	56	1477:1	12	6892:1	116	713:1	139	595:1
Zapata	5,200	1	5200:1	0	-	2	2600:1	2	2600:1

B-25

SOURCE: Texas Department of Health, Bureau of State Health Planning and Resource Development, "Distribution of Selected Health Manpower for GSTCB Commission, by COG, by County" (Unpublished tables, Austin, 1978).

Table 14

HEALTH MANPOWER AND FACILITIES IN METROPOLITAN
COUNTIES (SMSAs) OF THE GREATER SOUTH TEXAS CULTURAL BASIN

<u>COUNTY</u>	<u>POPULATION (1975)</u>	<u>HOSPITALS</u>	<u>NURSING HOMES</u>	<u>PHYSICIANS</u>	<u>DENTISTS</u>	<u>NURSES</u>
Bexar	912,934	15	54	1,214	434	5,297
Comal	29,478	1	3	19	17	129
Guadalupe	39,154	1	5	18	13	111
Nueces	248,422	7	13	332	115	1,609
San Patricio	50,378	3	3	18	13	157
B-26 Cameron	176,931	5	10	127	37	535
Hidalgo	227,853	5	11	122	34	672
Webb	<u>81,009</u>	<u>2</u>	<u>4</u>	<u>51</u>	<u>12</u>	<u>276</u>
METRO TOTAL	1,766,159	39	103	1,901	675	8,786
BASIN TOTAL	2,189,736	66	157	2,101	772	10,178
% of GSTCB	80.6	59.1	65.6	90.5	87.3	86.3

SOURCE: Adapted from Texas Department of Health, Bureau of State Health Planning and Resource Development, Selected Data, Texas 1977, Austin, Texas.

Table 15

SELECTED HOUSING CHARACTERISTICS FOR COUNTIES
IN THE GSTCB BY STATE PLANNING REGION

Region/County	Total Year-Round Housing Units	Lacking Some or All Plumbing Facilities	Owner Occupied		Renter Occupied		Crowded; 1.01 or More Persons Per Room
			Total	Median Value (\$)	Total	Median Rent (\$)	
ALAMO							
Atascosa	6,129	1,670	3,977	6,400	1,334	45	1,051
Bandera	3,349	540	1,306	9,500	456	48	181
Bexar	248,915	15,589	148,446	12,200	85,110	72	35,228
Comal	9,327	623	5,762	12,100	1,920	63	977
Frio	3,409	1,094	2,019	6,300	902	34	848
Gillespie	4,380	548	3,038	11,100	676	47	269
Guadalupe	11,709	1,596	7,371	10,600	2,937	57	1,329
Karnes	4,467	1,361	2,834	7,000	1,073	41	709
Kendall	3,151	444	1,854	12,400	575	57	216
Kerr	7,669	331	4,624	11,500	1,968	62	548
Medina	6,902	1,578	4,486	8,100	1,282	44	1,150
Wilson	4,326	1,347	2,727	7,500	1,031	35	718
TOTAL	313,733	26,721	188,444	-	99,264	-	43,224

Table 15 Cont'd.

Region/County	Total Year-Round Housing Units	Lacking Some or All Plumbing Facilities	Owner Occupied		Renter Occupied		Crowded; 1.01 or More Persons Per Room
			Total	Median Value (\$)	Total	Median Rent (\$)	
COASTAL BEND							
Aransas	4,096	257	2,225	11,400	720	64	438
Bee	7,283	1,291	3,810	8,000	2,622	66	1,000
Brooks	2,478	722	1,674	5,800	546	44	491
Duval	3,916	1,427	2,573	5,000	699	33	775
Jim Wells	10,058	1,968	6,337	6,800	2,603	54	2,106
Kenedy	190	23	31	6,100	132	30	55
Kleberg	9,597	790	5,266	10,000	3,637	77	1,375
Live Oak	3,076	482	1,470	7,300	608	47	356
McMullen	433	138	235	5,500	99	30	60
Nueces	73,883	4,118	42,311	11,400	24,739	69	10,884
Refugio	3,308	508	1,897	8,200	917	49	429
San Patricio	14,965	3,348	9,051	9,700	3,608	55	2,773
TOTAL	133,283	15,072	76,880	-	40,930	-	20,742

Table 15 Cont'd.

Region/County	Total Year-Round Housing Units	Lacking Some or All Plumbing Facilities	Owner Occupied		Renter Occupied		Crowded; 1.01 or More Persons Per Room
			Total	Median Value (\$)	Total	Median Rent (\$)	
LOWER RIO GRANDE VALLEY							
Cameron	40,565	9,595	23,879	7,100	11,553	47	10,239
Hidalgo	48,916	13,641	30,689	6,500	12,836	46	14,681
Willacy	4,586	1,549	2,795	5,500	1,013	39	1,178
TOTAL	94,067	24,785	57,363	-	25,402	-	26,098
MIDDLE RIO GRANDE							
Dimmit	2,723	1,269	1,572	5,000	618	34	739
Edwards	818	117	431	6,500	214	34	144
Kinney	711	209	362	5,000	235	30	140
LaSalle	1,631	752	951	5,000	424	30	395
Maverick	4,612	1,316	2,443	7,700	1,654	44	1,554
Real	966	200	470	5,900	208	36	118
Uvalde	6,158	1,199	3,591	8,300	1,463	47	980
Val Verde	8,264	902	4,119	8,800	3,162	67	1,554
Zavala	3,083	1,086	1,880	6,600	806	30	972
TOTAL	28,966	7,050	15,819	-	8,784	-	6,596

Table 15 Cont'd.

Region/County	Total Year-Round Housing Units	Lacking Some or All Plumbing Facilities	Owner Occupied		Renter Occupied		Crowded; 1.01 or More Persons Per Room
			Total	Median Value (\$)	Total	Median Rent (\$)	
SOUTH TEXAS							
Jim Hogg	1,514	447	897	5,000	356	35	294
Starr	4,646	2,355	3,358	5,000	753	32	1,523
Webb	19,273	3,680	10,541	7,500	7,326	47	5,527
Zapata	1,637	762	934	5,000	265	32	328
TOTAL	27,070	7,244	15,730	-	8,700	-	7,672
GSTCB	597,119	80,812	354,236	-	-	-	104,332
STATE	3,808,406	293,247	2,221,795	12,000	-	76	388,041

SOURCE: U.S. Department of Commerce, Bureau of the Census, 1970 Census of Housing, General Housing Characteristics - Texas, HC(1)-A45 (Washington, D.C.: U.S. Government Printing Office, 1971), pp. 164-167.

Table 16

ESTIMATED FEDERALLY SUBSIDIZED HOUSING UNITS
IN THE GSTCB BY STATE PLANNING REGION

COG Region	Public Housing	Elderly Units	HUD Section 8	FmHA	HUD 235	HUD 236	HUD 221(1)(3)	Other	Total
AACOG	7,431	1,244	502	NA	1,090	3,701	1,608	2,556	18,132
CBCOG	3,438	619	33	425	751	978	224	52	6,520
LRGVDC	4,403	703	104	NA	2,415(est.)	581	243	172	8,621
MRGDC	957	72	55	NA	NA	112	96	NA	1,292
STDC	672	100	59	50	100	204	160	82	1,427
GSTCB Totals	16,091	2,738	753	475	4,356	5,576	2,331	2,862	35,992

Sources: Texas Department of Community Affairs, Housing Division, Information on public housing and HUD, Section 8 housing, 1977, and

L. K. Travis and Associates, Housing Profile Study (for the Alamo Area Council of Governments), 1973, and

Mary McClintock Walters, "A Study of Housing in the Border Region," Thesis, 1973.

NA - Not Available

Table 17
 1976 FEDERAL OUTLAYS--SELECTED AGENCY OPERATIONS
 IN THE GREATER SOUTH TEXAS CULTURAL BASIN
 (Thousands of Dollars)

State Planning Region	Agric. ¹	Commerce	Defense	H.E.W.	H.U.D.
Alamo	82,263	4,546	1,343,998	481,150	19,699
Coastal Bend	30,562	1,239	285,234	189,545	6,462
Lower Rio Grande	66,615	1,509	30,619	187,677	9,868
Middle Rio Grande	16,076	1,138	69,799	44,481	2,035
South Texas	17,557	2,671	1,734	61,822	2,781
GSTCB Total	213,073	11,103	1,731,384	964,675	40,845
Texas Total	1,047,566	36,968	5,649,598	5,714,390	138,270
GSTCB % of State Total	20.3	30.0	30.7	16.9	29.5

State Planning Region	Labor	Transp.	Treasury ²	V.A.	Outlays of All Agencies ³
Alamo	37,527	18,311	61,000	129,902	2,319,287
Coastal Bend	14,775	16,233	27,639	31,504	656,564
Lower Rio Grande	21,732	3,851	25,930	16,997	411,777
Middle Rio Grande	1,138	13,150	7,217	5,043	176,974
South Texas	7,529	2,463	12,415	5,159	138,149
GSTCB Total	82,701	54,008	134,201	188,605	3,702,751
Texas Total	350,302	375,367	899,478	1,198,704	17,689,340
GSTCB % of State Total	23.6	14.4	14.9	15.7	20.9

Source: Federal Outlays in Texas--1976, Community Services Administration.

¹Includes Food Stamp and School Food Programs

²Includes Revenue Sharing

³Includes outlays of other agencies not listed

APPENDIX C

REPORTS AND PUBLICATIONS
OF THE
GREATER SOUTH TEXAS CULTURAL BASIN COMMISSION

1974 Report to the Governor and Legislature, Austin, 1975.

Negotiating a Border States Agreement, Austin, 1975.

Coordination of Education and Manpower Training: A Report Prepared for Texas Education Agency Division Adult and Continuing Education, Austin, 1975.

An Analysis of Selected Economic Problems In South Texas, (Published by the Mexican American Research Center), Austin, 1975.

An Industrial Facts Book of Pharr, Texas, (Published by the Industrial Economics Research Division, Texas Engineering Experiment Station, Texas A&M University), College Station, 1976.

An Economic Development Plan for Pharr, Texas, (Published by the Industrial Economics Research Division, Texas Engineering Experiment Station, Texas A&M University), College Station, 1976.

Regional Human Resource Development Project Phase I Report, Austin, 1976.

Regional Human Resource Development Project Phase II Report, Austin, 1977.

Developing South Texas: A Report to the Governor and Legislature, Executive Summary, Austin, 1977.

Strategies for Economic Growth, Volumes I-III, (Published by the Industrial Economics Research Division, Texas Engineering Experiment Station, Texas A&M University), College Station, 1977.

Developing South Texas: A Report to the Governor and Legislature, Austin, 1977.

Human Resource Development Phase III Report, Austin, 1978.

Developing South Texas, Periodic Newsletter, Austin, 1976-1978.

APPENDIX D

THE CULTURAL BASIN ACT

[Article 4413 (32d), V.T.C.S.]

authorizing the governor to designate several cultural basins in the State of Texas; authorizing the governor to appoint a commission for each cultural basin designated; providing that each of three major metropolitan districts should be in separate commissions; setting forth the functions of the several cultural basin commissions; setting forth specific duties of commission members; establishing staff support for the several cultural basin commissions in the governor's office; authorizing the legislature to appropriate funds for the support of the several cultural basin commissions; authorizing the cultural basin commissions to accept and expend funds; establishing the Greater South Texas Cultural Basin as the pilot cultural basin; calling for an annual report by each cultural basin commission; providing a severability clause; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. SHORT TITLE. This act may be cited as the Cultural Basin Act of 1973.

Sec. 2. FINDINGS. (a) The Legislature of the State of Texas finds that there is an immediate state interest in an efficient and comprehensive system of local, regional, basinwide, and statewide planning, goal-setting, and decision-making processes.

(b) The legislature finds that the problems and opportunities of the state are not accurately reflected by statewide averages. The diversity of the state and its people, their general well-being, and their quality of life varies tremendously.

(c) The legislature finds a need to form an alliance among local citizens and representatives of federal, state, and local government to focus energies, expertise, and funds into an effective mechanism for solving problems and developing opportunities with the appropriate discretion to meet the diverse needs of all the residents of Texas.

(d) The legislature finds that the efforts by local, state, and federal governments remain fragmented and that current efforts must be orchestrated and redirected to insure that the goals and priority-setting processes are attuned to the needs of local entities and residents of the state.

Sec. 3. STATEMENT OF PURPOSE. It is the purpose of this Act to improve the quality of life for the residents of Texas by stimulating orderly economic and socially desirable development and conservation and utilization of the state's human and natural resources. The administrative structure provided by this Act is a partnership of local citizens, local governments, state agencies, and federal agencies and creates a vehicle of change broad enough to plan and operate interagency and intergovernmental programs and flexible enough to respond to locally determined needs.

Sec. 4. DESIGNATION OF CULTURAL BASINS. (a) The Governor of Texas is instructed to designate appropriate cultural basins within the State of Texas where (1) there is a commonality within a geographic area, culturally, historically, and economically; (2) areas within a county or counties within the proposed area are contiguous; and (3) grouping of state planning regions can be utilized as building blocks for the formation of such cultural basins.

(b) The governor shall designate at least four cultural basins; however, no more than seven shall be designated to insure economies of scale. Each of three major metropolitan areas should be in separate commissions.

Sec. 5. FORMATION OF COMMISSIONS. A commission shall be appointed in each cultural basin that is designated by the governor. Each commission shall hold quarterly meetings. Additional meetings may be called by a majority of its members or by the chairman at any time.

Sec. 6. MEMBERSHIP OF COMMISSIONS. The membership of each cultural basin commission shall be appointed by the governor for a term of two years. Cultural basin commission membership shall consist of five local citizens, the chairman or president of each regional council of government within the particular cultural basin, six state agency heads who shall coordinate activities of the commission with all agencies of state government, and representatives of five federal agencies who shall coordinate activities of the commission with all agencies of the federal government.

Sec. 7. FUNCTIONS OF THE COMMISSION. (a) In carrying out the purposes of this Act, each cultural basin commission shall have the following functions with respect to its cultural basin:

(1) to foster surveys and studies to provide data required for the preparation of specific plans and programs for the development of such cultural basins;

(2) to advise and assist the governor in the coordination of regional councils of governments, in order to promote maximum benefits from the expenditure of federal, state, and local funds;

(3) to promote increased private investment in such cultural basins;

(4) to prepare legislative and other recommendations with respect to both short-range and long-range programs and projects;

(5) to develop, on a continuing basis, comprehensive and coordinated plans and programs and establish priorities thereunder, giving due consideration to other federal, state, regional, and local planning in the cultural basin;

(6) to conduct and sponsor investigations, research, and studies including an inventory and analysis of the resources of the cultural basin, and in cooperation with federal, state, regional, and local agencies, sponsor demonstration projects designed to foster cultural basin productivity and growth;

(7) to review and study, in cooperation with the agency involved, federal, state, regional, and local public and private programs and, where appropriate, recommend notifications or additions which will increase their effectiveness in the cultural basin;

(8) to formulate and recommend interstate compacts and other forms of interstate cooperation;

(9) to formulate and recommend international agreements between the United States and Mexico where such agreements have significant impact on the economy or delivery of services to the people of Texas;

(10) to provide a forum for consideration of problems of the cultural basins and proposed solutions and establish and utilize, as appropriate, citizens and special advisory councils and public conferences.

(b) The governor as the commission's chairman shall present such plans and proposals of the commission for review by state agencies primarily interested in such plans and proposals and then, together with the recommendations of such agencies, make selected recommendations to the legislature for such actions as he may deem desirable.

(c) The governor as the commission's chairman shall provide effective and continuing liaison between the federal government, state agencies, and all cultural basin commissions.

(d) Each state agency shall, consonant with law and within the limits of available funds, cooperate with such commissions as may be established in order to assist them in carrying out their functions under this section.

(e) Each commission may, from time to time, make additional recommendations to the legislature and to appropriate local officials, with respect to:

(1) the expenditure of funds by federal, state, and local departments and agencies in its cultural basin in the fields of natural resources, agriculture, education, training, health and welfare, transportation, recreation, public works, and other fields related to the purposes of this Act; and

(2) such additional state legislation or administrative actions as the commission deems necessary to further the purpose of this Act.

(f) Nothing in this Act shall be construed to give any cultural basin the power of approval or disapproval of funding to any county, city or regional council of government organization.

Sec. 8. FUNCTIONS OF COMMISSION MEMBERS. (a) In addition to the functions of the commission as stated in Section 7 of this Act, the commission members shall perform the following duties:

(1) Local officials and citizens are charged with the responsibility of establishing local goals and priorities, basinwide goals and priorities, and making management and policy decisions.

(2) Regional councils of government chairmen and presidents shall coordinate the efforts, programs, goals, and projects of regional councils of governments with those of the cultural basin commission and make management and policy decisions.

(3) State and federal agency representatives are charged with the responsibility of designing programs and allocating funds necessary to implement the goals set by the cultural basin commission. State and federal agencies shall coordinate existing programs and design new state and federal programs through direct contact and communications between local, regional, state, and federal agency representatives on cultural basin commissions.

(b) Whenever possible, existing groups, such as those proposed by The Texas Industrial Commission-Texas Office of Economic Opportunity Selective Economic Development Plan or the local human resources councils shall be used in local goal-setting. Information, studies, and proposed solutions to problems from citizen commissions, such as the Rural Development Commission, shall be utilized.

Sec. 9. TECHNICAL AND PLANNING ASSISTANCE. (a) The governor is instructed to provide to the several commissions technical assistance and staff support to aid the commissions in carrying out their functions under this Act and to develop recommendations and programs. Such assistance shall include studies and plans evaluating the needs of, and developing potentialities for, economic growth of such cultural basins, and research on improving the conservation and utilization of the human and natural resources of the cultural basins. Such assistance may be provided by the governor through members of his staff, through the payment of funds authorizing for this section to other departments or agencies of state government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions and contracts entered into for such purposes, or through grants to the commission.

Sec. 10. ADMINISTRATIVE ALLOCATION. (a) For budgetary purposes, cultural basin commissions shall be attached to and considered part of the governor's office, with necessary expenses of operations to be financed by line-item appropriations made by the legislature to the governor's office for that purpose.

(b) The members of the commission are entitled to receive their actual travel and other necessary expenses in the performance of their duties when not reimbursed from other sources.

(c) The commission may accept gifts and grants of money from any individual, group, association, corporation, or the federal government. Such funds received shall be deposited in the state treasury to be released as appropriated by the legislature in accordance with the specific purpose for which given and under conditions that may be imposed by the donor and in accordance with the annual report or other recommendations of cultural basin commissions.

Sec. 11. DEVELOPMENT GRANT. (a) The legislature shall appropriate a development grant fund. Upon receipt of the cultural basin commission's report as stated in Subsection (b) of Section 7, the legislature may release appropriate development grant funds in block grant form to be used by the particular cultural basin commission in accordance with its annual report, containing recommendations to the legislature for the development of projects, programs, and studies.

(b) In developing recommendations for programs and projects for cultural basins, and in establishing within those

recommendations funding and other appropriate actions and a priority ranking for such programs and projects, the governor shall encourage each commission and reviewing state agency to follow procedures that will insure consideration of the following factors:

(1) the relationship of the project or projects to overall cultural basin development including its location in an area determined to have a significant potential for growth;

(2) the population and area to be served by the project or projects including the relative per capita income and the unemployment rates in the area;

(3) the relative financial resources available to the state or political subdivision or instrumentalities thereof which seek to undertake the project;

(4) the importance of the project or projects in relation to other projects or classes of projects which may be in competition for the same funds;

(5) the prospects that the project, on a continuing rather than a temporary basis, will improve the opportunities for employment, the average level of income, or the economic and social development of the area served by the project; and

(6) possible environmental impact.

Sec. 12. A PILOT PROJECT. The Greater South Texas Cultural Basin shall be designated by the governor as the first cultural basin. The experience of the Greater South Texas Cultural Basin Commission shall aid in the formulation and development of additional cultural basin commissions statewide.

Sec. 13. ANNUAL REPORT. On or before December 1 of each year, each cultural basin commission shall make in writing a complete and detailed report of its activities and recommendations, consistent with Subsection (b) of Section 7 and Subsections (a) and (b) of Section 11, to the governor and to the presiding officer of each house of the legislature.

Sec. 14. SEVERABILITY CLAUSE. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Sec. 15. EMERGENCY CLAUSE. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

