In addition to a five-year extension and increased supports for wheat, corn, and other crops, the 318-page bill contains a major overhaul of the food stamp program, an extended and liberalized food for peace program, farm disaster payments, and other features, including authority for expanded agricultural research. The price tag on the entire package is about $12 billion a year.

The revamped food stamp program, which could cost an estimated $5.6 billion a year, includes the Administration's plan to allow needy people to get free stamps without -- as at present -- first putting up some cash to buy additional stamps. An estimated 3 million would become eligible.

But other features of the plan would make about 1.2 million current participants ineligible; about 4.6 million would have their benefits cut; and some 10 million would get the same benefits they have, and in some cases even more.

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MONS 001752

ENVIRONMENT: COSTLE PROPOSES LABELING, DISPOSAL REGULATIONS FOR PCBs, PRODUCTS

A regulation for the labeling and disposal of polychlorinated biphenyls (PCBs) and for products containing them was proposed today by Environmental Protection Agency Administrator Douglas M. Costle. The capital costs of compliance are estimated at $9.1 million.

Calling the action the "first of several steps that EPA will take to limit PCBs as a threat to human health and the environment," Costle said the proposed regulation calls for high temperature incineration of all liquid PCBs, and would require special warning and informational markings on all new products containing PCBs.

"The major impact of the proposed regulation," Costle said, "will be on owners and users of currently operating PCB capacitors and transformers who will face increased costs due to the required special labeling, disposal, and recordkeeping."

Costle pointed out that although PCBs have been manufactured since 1931 they were first found to be threatening in the last decade, with recent evidence that the substance can cause skin reactions and harm the body's immunological defense system. PCBs are also suspected of harming the reproductive system and may cause cancer.

The proposed high temperature incineration would apply to for all liquid PCBs, such as Askarels drained from transformers and solvents contaminated with PCBs. Articles containing PCBs such as electrical capacitors, which are widely used in the electrical industry and in some small appliances, also are to be incinerated.

In order to provide disposal alternatives until more high temperature incinerators come into service, most of these PCB articles can be disposed of in chemical waste land-fills for the first two years following issuance of the regulation in final form. In addition PCBs may be stored temporarily, prior to disposal. Storage may be used to help balance the flow of waste PCBs to ultimate disposal, EPA said.

The proposed regulation contains criteria for the design and operation of high temperature incinerators and chemical waste landfills, as well as an EPA approval procedure for such facilities.

High risk items such as containers of PCBs and disposal storage areas would have to be labeled six months after the rule becomes effective. Because of their wide distribution, electrical transformers and large high voltage capacitors used mainly in the electric utilities industry are given 12 months after promulgation to be labeled.

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The proposed regulation also requires that records be kept to account for PCBs as they move through the process of storage and disposal.

The regulation applies to all persons who manufacture, process, distribute in commerce, use, or dispose of PCBs. Agencies of government at the local, state, and Federal level are included.

"While we are confident that this regulation will be effective in managing and destroying concentrated sources of PCBs," Costle said, "We face a different and extremely difficult problem in determining how to deal with the 250 million pounds of PCBs -- or one-third of that in service -- which are found in 895 million individual capacitor units widely distributed across the country.

"These PCBs are found in almost every flourescent light fixture and in many small appliances. A regulatory requirement alone is not likely to be very effective in ensuring that they are collected and transported to an incinerator for destruction. But if the assistance of the public is not achieved, these PCBs will probably find their way into the local dump or landfill and from there into the environment. EPA is seeking ideas, and assistance on ways to address this complex problem," he said.

Capital costs associated with compliance are expected to total $9.1 million, including $5 million for new incineration capacity, $0.1 million for marking, and $4 million for storage facilities. Annual operating costs are expected to total $58.3 million in 1978 -- $5 million for chemical waste landfill charges, $8 million for disposal transportation, $8 million for recordkeeping, $33.3 million for marking, and $4 million for maintenance of storage facilities. Total operating costs will increase slightly in 1979 to $61 million. After 1979, operating costs should decrease approximately 7 percent each year.

Costle said that the regulation should create small business opportunities and employment due to the development of collection and storage services for numerous small generators of PCB wastes.

An informal hearing on the proposed regulation will be held starting June 20, at EPA, in Room 2117, Waterside Mall, 401 M Street, SW., Washington, D.C. 20460.

Written comments are requested by June 10, addressed to the EPA Office of Toxic Substances, Attention: Joni T. Repasch, (WH-557), 401 M Street SW., Washington, D.C. 20460.

The proposed regulation will be published soon in the Federal Register, EPA said.

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DROUGHT RELIEF: PRESIDENT SIGNS BILL AUTHORIZING $225 MILLION IN LOANS, GRANTS MONS 001753

President Carter today signed the Community Emergency Drought Relief Act of 1977 (S 1279), authorizing $75 million in grants and $150 million in low-cost loans to augment community water supplies in drought areas.

Mr. Carter said at the bill-signing ceremony that the measure "will help the small communities in drilling new wells and providing the viaducts for the transportation of water, for conservation measures, and for other projects to overcome the consequences of the continuing drought."

The funds were requested in March as part of an $884 million emergency drought relief proposal sent by the President to Congress (DER 57, A-8, B-10). Congress appropriated only $175 million of the $225 million authorized in the bill. That appropriation was included in HR 4876, which was signed by the President on May 13 (DER 94, A-14).

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