ACIR:
THE YEAR IN REVIEW
31st Annual Report
January 1990

Advisory Commission on Intergovernmental Relations
Washington, D.C.
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General Information

The U.S. Advisory Commission on Intergovernmental Relations (ACIR) reached a milestone when it celebrated its 30th birthday in 1989. The value of the work of the Commission was recognized by presidential and Congressional approval of an appropriations increase for FY 1990 that partly reversed budget cuts of the late 1980s, and state financial support for the Commission reached an historic high point. Calendar year 1989 also marked a turning point in the accelerated evolution of ACIR as a hybrid agency relying on a diversity of revenue sources—federal appropriations, publications sales, state contributions, research contracts with federal agencies and state and local governments, foundation grants, and honoraria. For the first time in the Commission’s history, funds other than appropriated monies were expended to meet nondiscretionary expenses in FY 1989. This funding mix, together with the intergovernmental composition of the Commission, makes ACIR atypical federal agency. At the same time, these characteristics help to maintain the bipartisan independence of ACIR.

The Commission plays a unique role in analyzing the federal system and American intergovernmental relations as a whole; in advocating federalism principles; in spotting problems and highlighting emerging issues; and in convening top officials of the federal, state, and local governments on a regular basis to consider means of helping the system to work better. As the successor to the temporary Kestnbaum Commission, ACIR now has continued this role for three decades. The prevailing issues affecting the federal system have changed considerably over these decades, and the 1990s can be expected to pose new fiscal and regulatory challenges to intergovernmental cooperation and comity.

The Commission’s work also has prompted a growing number of academic and non-academic analysts to take up similar studies, and temporary study groups join in from time to time. Intergovernmental units in the White House and the executive departments have been encouraged to provide liaisons with state and local governments. The executive branch now is expected to measure its new legislative and regulatory initiatives against a set of federalism principles that respect the traditional prerogatives of state and local governments in the federal system. The General Accounting Office and the Congressional Research Service devote specialized talent to studies of federalism and intergovernmental relations, often using concepts pioneered by ACIR. The nonprofit State and Local Legal Center was established six years ago, with ACIR encouragement, to give state and local governments a stronger voice in U.S. Supreme Court cases involving principles of federalism. In 1989, ACIR worked closely with the Council of State Governments and an ad hoc Intergovernmental Partnership Task Force consisting of representatives from the major national associations of state and local officials. More recently, ACIR also has highlighted the growing importance of state-local relations and has worked cooperatively, for example, with the National Conference of State Legislatures’ Committee on State-Local Relations. With support and encouragement from the Commission, the number of state ACIRs has climbed from 14 to 29 over the past seven years. Thus, ACIR’s policy recommendations and systemwide studies emphasizing basic principles of federalism as well as practical, program-specific solutions to problems have created an environment conducive to considering and resolving issues of intergovernmental balance in the federal system.

This progress report describes how the Commission has kept this study and advocacy process moving forward during 1989, and positioned itself to continue these contributions in future years. Appendix A lists members of the Commission as of December 31, 1989. A listing of the year’s Commission meetings is provided in Appendix B. Appendix C shows the Commission’s staff organization. ACIR’s 1989 publications are listed in Appendix D. Appendix E shows public speaking engagements of the ACIR staff. Salaries and expenses are listed in Appendix F. Appendix G shows the Commission’s financial support. Appendix H contains historical tables relating to revenue, personnel, publications, and office and warehouse space.

ACIR: Purposes and Composition

The Advisory Commission on Intergovernmental Relations (ACIR) is a permanent, independent, bipartisan commission established by the Congress under P.L. 86-380 in September 1959. The purposes of ACIR, as stipulated in the Act, are to:

1) Bring together representatives of the federal, state, and local governments for the consideration of common problems;
2) Provide a forum for discussing the administration and coordination of federal grant and other programs requiring intergovernmental cooperation;
3) Give critical attention to the conditions and controls involved in the administration of federal grant programs;
4) Make available technical assistance to the executive and legislative branches of the federal government in the review of proposed legislation to determine its overall effect on the federal system;
5) Encourage discussion and study at an early
stage of emerging public problems that are likely to require intergovernmental cooperation;

6) Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

7) Recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

The Commission consists of 26 members: three members of the United States Senate and three members of the United States House of Representatives appointed by the presiding officer of each chamber; and three members of the executive branch of the United States government, four governors, four mayors, three state legislators, three elected county officials, and three private citizens appointed by the President. The elected state and local members are appointed by the President from panels of nominees submitted by the respective national associations of state and local officials. The members of the Commission serve two-year terms and may be reappointed by the President. The elected state and local members are appointed by the President from panels of nominees submitted by the respective national associations of state and local officials. The members of the Commission serve two-year terms and may be reappointed by the President. The Chairman and Vice Chairman of the Commission are designated by the President. The Commission customarily meets quarterly, but may meet more or less frequently as necessary. See Appendix A for a membership list, and Appendix B for a list of the Commission's 1989 meetings.

Operating Procedures

As a permanent, independent, bipartisan commission consisting of private citizens and federal, state, and local officials, the Commission is able to develop consistent, long-term analyses and recommendations that reflect the diverse views present in the federal system as well as points of agreement among those views.

The principal work of the Commission flows through three basic stages: (1) staff research undertaken at the direction of the Commission; (2) policy recommendations made by the Commission; and (3) communication of those policy recommendations to relevant federal, state, and local officials, as well as to the general public.

The Commission determines its own agenda, basing its choices on (1) the members' wide-ranging experiences, observations, and contacts; (2) suggestions from public officials, citizen groups, and others; and (3) staff evaluations of current and latent issues in intergovernmental relations. Once a topic is selected for research, the staff gathers information by a variety of methods, including reviewing the literature, consulting with relevant public officials and other experts, holding hearings, conducting special surveys, and undertaking field studies. The purpose of this research is to provide a solid foundation for Commission policy recommendations.

To assure that all relevant aspects of each subject are reflected in the findings and background sections of a report, the staff conducts "thinkers' sessions" at the beginning of a research project to help define the project's scope and approach. "Critics' sessions" are scheduled near the completion of a project to review closely the information and conclusions contained in the draft prepared for Commission consideration. Participants in these sessions usually include congressional staff members, representatives of appropriate government agencies and public interest groups, members of the academic community, specialists in the substantive area of the report, and representatives of relevant civic, labor, research, and business organizations.

Background information and findings are presented to the Commission, along with an appropriate range of alternative policy options. The Commission debates the report in public session and votes on policy recommendations. Subsequently, the report and its recommendations are published and disseminated. The Commission also issues many information reports that do not contain or require policy recommendations.

In addition to publishing reports, the Commission holds public hearings and forums, organizes national conferences on key intergovernmental issues, provides speakers for public and academic forums, and supplies direct assistance and information to a great many individual agencies, public officials, and citizens. Under contract, the Commission also conducts research and analysis for federal agencies and state and local governments.
The ACIR Work Program

ACIR has had another busy and productive year. During calendar year 1989, the Commission published three policy reports, seven information reports, two staff reports, one survey, and four issues of its quarterly magazine, Intergovernmental Perspective. In addition, several reports are well under way and should be published in early 1990. A chronological list of 1989 publications may be found in Appendix D.

Although the Commission's research has focused on numerous intergovernmental issues, the 1989 publications and projects may be grouped into five broad themes: (1) constitutional balance in the federal system, (2) intergovernmental relations in the international arena, (3) the structures and functions of government, (4) fiscal federalism, and (5) monitoring intergovernmental trends.

Constitutional balance has come into focus increasingly during the past few years as federal government regulation and preemption of state and local governments has increased while federal financial support has declined relative to the federal budget and to state and local revenues.

The roles of state and local governments in international relations have expanded greatly since the late 1970s. As global markets, worldwide economies, multinational corporations, and people-to-people diplomacy have affected the daily operations of state and local governments, it has become increasingly clear that America's relations with other nations are not just a concern of the federal government.

Questions concerning the evolving structures and functions of government have led ACIR to undertake studies of rapidly emerging residential communities, intergovernmental relationships in complex metropolitan areas, the growth of state ACIRs, the changing roles of boundary review commissions, and intergovernmental relations designed to facilitate achievement of functional goals.

Issues of fiscal federalism in 1989 were driven significantly by changing structures in the banking system, revolutionary changes in telecommunications technologies and regulation, and increasing pressures on state and local tax systems to adjust to the expanding responsibilities thrust on state and local governments.

The Commission's continued monitoring of fiscal and nonfiscal trends encompasses compilations of fiscal data, annual estimates of the fiscal capacity and effort of the states, an annual public opinion poll on governments and taxes, and a catalog of federal grants-in-aid available to state and local governments. These projects provide early warnings of emerging trends and issues that ACIR may need to consider in its policy deliberations and that other governmental and nongovernmental organizations frequently use in their work.

In the course of its work in 1989, the Commission continued to participate in sponsoring conferences, roundtable discussions, and public hearings to involve more participants representing differing points of view and areas of expertise. In addition to holding seven meetings on the subject of a clearinghouse on state and local initiatives to enhance the competitiveness of American business, the Commission cosponsored a national conference on banking and a series of public hearings on restoring balance in the federal system.

The activities and publications of ACIR described in the following sections explain what has been accomplished in 1989 within the five thematic areas enumerated above.

Constitutional Balance

One of the primary intergovernmental concerns in recent years has been the maintenance of balance between the roles of the states and the roles of the national government in the American constitutional system. This system is governed by the U.S. Constitution and the constitutions of the 50 states. However, the U.S. Constitution has been interpreted so widely in favor of expanding federal roles during the past 50 years that it has come to overshadow the state constitutions. For many citizens, state constitutions are out of sight and out of mind.

Several recent events have called attention to the need for restoring federal-state balance. First is the rapidly accelerating federal regulation of state and local governments combined with the decline in federal financial support. Second, the Garcia (1985) and South Carolina (1988) decisions by the Supreme Court effectively removed the Tenth Amendment as a potential barrier to federal regulation of state and local governments by requiring states to rely almost exclusively on the Congress rather than on the courts to address their concerns. Third, the national policy agenda has become so overcrowded that the federal government has great difficulty establishing clear, predictable, and workable priorities.

During the last few years, ACIR has encouraged discussion of constitutional balance and the pursuit of research designed to operationalize the concept. In 1988, ACIR recommended that the states take constitutional reform under consideration as one approach to restoring balance in the federal system. The Chairman and the staff have worked diligently at taking this recommendation forward.

During 1989, Chairman Robert B. Hawkins, Jr., cochaired an Intergovernmental Partnership Task Force consisting of representatives from the Council of State Governments, the National Conference of State Legislatures, the National Association of Counties, the U.S. Conference of Mayors, and the
The task force, formed partly as a result of ACIR's recommendations, fostered major policy debates on constitutional reform by the Council of State Governments and the National Conference of State Legislatures throughout the year.

The Commission published three reports in 1989 that further develop the theme of constitutional balance—a report on opportunities for expanding state initiatives under state constitutions and within the framework of the U.S. Constitution, entitled State Constitutions in the Federal System: Selected Issues and Opportunities for State Initiatives; a set of hearings on the constitutional reform of federalism; and a study of federal and state compliance with federal disability rights mandates. In addition, studies on federal preemption, state mandates, and federal mandate reimbursement were being pursued. Also, ACIR's 1988 volume, State Constitutional Law: Cases and Materials (M-159), received high praise and was adopted by several prominent law schools. Supreme Court Justice William J. Brennan, Jr., wrote, "...it's been very badly needed. I shall certainly encourage any deans I run into to follow the lead of the other law schools already using it."

The Commission's three 1989 publications on constitutional balance are described in the following paragraphs.

**State Constitutions in the Federal System: Selected Issues and Opportunities for State Initiatives (A-113).** This report examines recent developments in state constitutional law in the American system, focusing on issues that highlight the importance, variety, and innovativeness of state constitutions. The report looks at state and local government structure, civil liberties, equality, defendants' rights, economic and property rights, workers' compensation, and education. In this report, the Commission makes recommendations to promote public understanding and support for state constitutions, to enhance the capability to improve state constitutional law, to recognize shared responsibility for state constitutional action, and to recognize the importance of state constitutional law in rebalancing the federal system.

**Hearings on Constitutional Reform of Federalism: Statements by State and Local Government Association Representatives (M-164).** This hearing continued a series of ACIR studies on the balance of powers in the federal system following the U.S. Supreme Court's Garcia and South Carolina decisions. Participants at the hearing included John H. Sununu, then governor of New Hampshire; Harvey Ruvin, commissioner, Dade County; Ted Strickland, state senator, Colorado; Robert M. Isaac, mayor, Colorado Springs; Mary McClure, state senator, South Dakota; Brian J. O'Neill, council member, Philadelphia; Douglas Henry, Jr., state senator, Tennessee; Lucille Maurer, state treasurer, Maryland; and Jim Ross Lightfoot, U.S. Representative, Iowa.

**Disability Rights Mandates: Federal and State Compliance with Employment Protections and Architectural Barrier Removal (A-111).** This policy report compares the record of federal compliance with national mandates to that of the states. It explores how intergovernmental policymaking can achieve essential national objectives more effectively than purely national policymaking in which legal requirements are more prominent than incentives for cooperative action. The Commission recommends: (1) that the Congress serve as a model of leadership by promoting equity and effectiveness in mandate legislation; (2) that there be a fuller federal-state-local partnership to pursue disability rights mandates; (3) that data collection be improved to track compliance with disability rights mandates; (4) that persons with disabilities be involved in the mandate compliance process; (5) that research and dissemination of information about compliance be enhanced; and (6) that education and training efforts be accelerated.

**Intergovernmental Relations in the International Arena**

In 1989, the Commission pursued four activities concerning intergovernmental relations in the international arena: (1) drafting a policy report on state and local roles in international affairs; (2) advising the U.S. Department of Commerce on establishing a Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation; (3) participating in an international conference on "Federal Type Solutions and their Implications for European Integration"; and (4) preparing for publication the proceedings of an ACIR conference on international experiences with governmental decentralization. These four activities are detailed below.

**Draft Policy Report.** A draft policy report entitled State and Local Roles in International Affairs was prepared for Commission consideration. One part treats state roles in the international system and the other deals with the role of local governments in international affairs. The report, which is expected to be published in 1990, chronicles the recent and rapid growth of state and local involvement in international affairs and provides a basis for the Commission to consider findings and recommendations for making the American federal system work more effectively in a world with increasingly porous national boundaries.

The international activities of state and local governments chronicled in this forthcoming report encompass a wide range of economic development activities and extend to social, technical, scientific,
cultural, and educational programs; the regulation of foreign as well as domestic business activity; lobbying of the U.S. government on foreign policy matters; divestiture of public funds from corporations doing business in certain countries; agreements with foreign governments; public referenda and legislative resolutions on foreign policy issues; and, occasionally, noncooperation with the U.S. policy. The breadth and intensity of these international activities belie the traditional notion that foreign affairs is strictly the domain of the U.S. government. Thus far, state and local international pursuits have not posed major problems for the federal system or for U.S. foreign policy, but there are issues of coordination and cooperation that can be addressed to improve the effectiveness of federal, state, and local efforts to enhance the nation's position in the new world order. The inevitable expansion of these activities, however, could give rise to intergovernmental conflicts.

Advice to the Department of Commerce. The Commission also put considerable time and effort into an internationally oriented project initiated under the Omnibus Trade and Competitiveness Act of 1988. This act established within the U.S. Department of Commerce a clearinghouse to "serve as a central repository on initiatives by state and local government to enhance the competitiveness of American business through the stimulation of productivity, technology, and innovation, and federal efforts to assist state and local governments to enhance competitiveness." Because this clearinghouse needed to be connected to the activities of state and local governments, as well as to related activities of the federal government, the department requested that ACIR assist it in establishing the Clearinghouse.

Under an interagency agreement, ACIR helped to develop strong relationships with state and local governments and assisted in designing appropriate roles for the Clearinghouse that can support state and local competitiveness initiatives. ACIR's final report to the Department of Commerce, submitted on September 28, 1989, resulted from a year of research and consultation with state and local governments, appropriate federal agencies, and a range of private-sector organizations involved with innovations intended to enhance the global competitiveness of American businesses.

The key finding in ACIR's report is that many of the functions envisioned for the Clearinghouse currently are being performed by a variety of state, local, and federal agencies, as well as by some private sector entrepreneurs. Thus, establishing a nonduplicating niche is essential. The ACIR strategy urges implementation of a readily accessible and highly utilized network of established actors.

Conference on European Integration. In late October, Commissioner Daniel J. Elazar and two staff members presented papers at an international conference on "Federal-Type Solutions and their Implications for European Integration." This conference was held at the College of Europe in Bruges, Belgium, and was sponsored by the Center for the Study of Federalism (Brussels), Groupe-Coudenberg, the Comparative Federalism and Federation Research Committee of the International Political Science Association, and the International Association of Centers for Federal Studies, of which ACIR is a member. Discussions focused on implications for European integration of the effects and output of federal-type solutions; instruments and methods in federal-type solutions; recent developments in international scientific research on European integration and federalism; intergovernmental relations; external relations; and federalism, pluralism, and political integration. The proceedings will be published in book form.

Conference Proceedings on Government Decentralization. The Commission also is nearing completion of an edited collection of papers on "Setting New Agendas for Intergovernmental Decentralization: The International Experience." These papers were from a 1988 conference cosponsored by ACIR, the International Council of Scientific Unions, and the journal Government and Policy, in cooperation with the London School of Economics and the Center for Urban and Regional Studies of Virginia Polytechnic Institute and State University. The principal focus of the conference was the implementation and impacts of decentralization as viewed from federal/national, state/regional, and local government perspectives.

Governmental Structures and Functions

The Commission continued its well established program of examining the structures and functions of government. ACIR researched the rise of Residential Community Associations, the fastest growing form of "local government" today. The Commission also conducted a second case study of the organization of large metropolitan areas, in this case, Allegheny County, Pennsylvania. Another forthcoming ACIR study focuses on the roles of governments in the use and protection of groundwater. ACIR also submitted a proposal to the U.S. Department of Justice for a grant to investigate the roles of state and local legislators and chief executives in the administration of criminal justice. In addition, the Commission continued its encouragement of improved intergovernmental relations via state ACIRs and began updating and reevaluating its earlier work on boundary review commissions. The 1989 reports published and research in progress on this aspect of federalism are described in the following paragraphs:


Residential community associations (RCAs) are mandatory membership associations of homeowners established by deed covenants attached
to real property. They are private organizations providing quasi-public services. Having territorial scope and authority to levy mandatory assessments, regulate behavior, and provide public services, such as streets, RCAs may be the fastest growing form of "local government" today. This policy report examines the growth and characteristics of RCAs and the opportunities and problems they pose for state and local governments. The Commission recommends that state and local governments recognize the potential problems of RCAs, give careful attention to the governmental and intergovernmental issues raised by their existence and activities, and cooperate with the private sector and local homeowners to facilitate appropriate development and successful operation of RCAs.

Residential Community Associations: Questions and Answers for Public Officials (M-166). This concise booklet, in a question-and-answer format, is based on the above policy report and is divided into five sections: (1) what RCAs are, what they do, and their general implications for public officials; (2) issues for local officials; (3) issues for state officials; (4) issues for federal officials; and (5) additional readings and resources.

Metropolitan Organization: The Allegheny Case. This report was adopted by the Commission in 1989 and is being prepared for publication. It is part of a series of case studies exploring how complex metropolitan areas function. It builds on research presented in two earlier ACIR publications: The Organization of Local Public Economies (1987) and Metropolitan Organization: The St. Louis Case (1988). Those reports furnish working hypotheses for this study of Allegheny County, Pennsylvania, which is characterized as "the premier 'fragmented' metropolitan county in America."

The report documents the local government structures and processes in Allegheny County, and describes how the municipalities, townships, boroughs, and special units of government work within the county and with the county government to provide the street, police, fire, and public education services desired by the citizens. The report finds that the complex local government structure in Allegheny County brings forth sufficient public entrepreneurship, community-based organization, voluntarism, and intergovernmental problem solving to sustain a productive local public economy.

Groundwater Management. Serious pollution, depletion of groundwater supplies, and ground subsidence issues have emerged in recent years, and active proposals in Congress would increase substantially the federal role in the management of groundwater resources. A legislative trend in the states toward the adoption of comprehensive, statewide groundwater management programs combined with recent initiatives by the federal government in the aftermath of the Sporhase v. Nebraska (1982) decision have made this a propitious time for considering the implications of these activities for intergovernmental relations and for groundwater management in the United States. In Sporhase, the U.S. Supreme Court ruled that groundwater is an article of interstate commerce, and thereby subject to regulation by the national government under its Commerce Clause authority.

The groundwater report attempts to identify what has happened and what is likely to happen, as well as evaluating these effects in relation to the principles and structures of American federalism. The evaluation will yield a set of Commission findings and recommendations for policymakers throughout the American federal system.

Criminal Justice Study. At the recommendation of the National Association of Counties, the Commission submitted a proposal to the U.S. Department of Justice for funding assistance to help underwrite a study on "The Role of General Purpose Government Legislators and Chief Executives in the Administration of Criminal Justice." Because the criminal justice system is so interrelated and policy authority so diffused, the role of legislators and chief executives in coordinating the policy and funding decisions for the system is critical.

This study will focus on strengthening the role of general purpose governments, and particularly their legislators and chief executives, in the administration of justice. It will examine structures and mechanisms for coordinating the actions of the various governments in the criminal justice system. The key goals of the study will be to help general elected officials understand, make better policy decisions about, and develop better mechanisms of intergovernmental coordination and cooperation for administering and reforming the criminal justice system.

State ACIRs. Interest in state ACIRs and similar agencies continued during 1989 as state and local officials searched for ways to develop and strengthen intergovernmental partnerships. To foster and maintain good relations with these state counterpart organizations, ACIR cooperates with them on matters of common concern whenever possible. Twenty-nine states now have an intergovernmental advisory agency, compared with 14 states just seven years ago.

In August, the Commission participated in a conference initiated by the state ACIRs. Representatives of the U.S. ACIR and 13 state ACIR counterpart agencies met in Columbus, Ohio.
Participants approved a resolution regarding cooperation among the state organizations and between the state organizations and the U.S. ACIR.

Boundary Review Commissions. Local government boundaries are set in many different ways under the varying provisions of state constitutions and statutes. Beginning in 1959, some states established special commissions to review the creation of new local governments and the revision of local government boundaries by annexation, consolidation, or other means. Now, 11 states have such commissions, one more than the last time ACIR studied these mechanisms. The current survey indicates that most of the activity now concerns annexation cases rather than new incorporations. This project will be completed in 1990.

Fiscal Federalism

Fiscal issues in federalism are a continuing focus of ACIR research. In 1989, the Commission directed much of its attention to particularly timely issues involving the regulation and taxation of the banking and telecommunications industries and various aspects of local revenue diversification. The Commission also was involved in several state tax studies, and is preparing reports on interjurisdictional tax and policy competition, state school aid programs, and property taxes.

Banking. Rapid technological change combined with the deregulation of certain economic activities has changed dramatically the way that business firms operate. Nowhere, except perhaps in the telecommunications industry, is this more evident than in the banking industry.

Throughout 1989, ACIR continued its research into key intergovernmental regulatory issues arising as a result of the changing economic and institutional structures of the banking industry. New developments have led to the creation of a variety of new products and services that not only promote increased competition and efficiency, but also add to the diversity and availability of consumer services. For example, all but three states have some form of interstate banking, compared to only a handful a few years ago. Now, some banks operate in states where they may have no physical presence.

The Commission has been investigating the impacts of some of these new trends and has issued a new information report on state taxation of banks to complement its 1988 policy study on state regulation of banks. ACIR also cosponsored a national conference on banking issues.

State Taxation of Banks: Issues and Options (M-168). This study focuses on the state tax policy implications of the relaxation of restraints on interstate banking combined with the recent and rapid blurring of lines of business between banking and other commercial activities. The purpose of the report is to inform policymakers and practitioners of the range of available policy options. The report begins with an historical review of the constitutional and legal underpinnings of present state bank tax policy, and then sets out the key issues to be resolved by state legislatures.

Specific topics addressed in the report include the goals and objectives of bank tax policy, the difficulties of defining a taxable entity in today's environment, the nature of the alternative methods of defining the bank net-income tax base, and the policy trade-offs that must be made when states select among the several methods for apportioning income from multistate activity.

The study concludes with a review of administrative and other policy aspects of tax reform, and a survey of the current status of state bank tax practice among the states. The report serves as an information document and thus does not contain Commission recommendations.

Conference on Banking. On December 13, 1989, the Commission cosponsored "State Taxation and Regulation of Banking: Time to Reform?" a conference on banking issues with the Multistate Tax Commission, the National Center for Policy Alternatives, and the National Conference of State Legislatures. Some 150 people attended the conference, representing 37 states and the District of Columbia. The audience was composed of legislators, industry representatives, academics, and public officials. The proceedings focused on a complex array of tax and regulatory issues, including the nature of the changing structure of the financial services industry; the status of interstate banking among the states; recent tax reforms in Indiana, Minnesota, and New York; the effects of the savings and loan crisis on state regulation; and state responses to redlining. The conference proceedings will be published in the Spring of 1990.

Telecommunications. Change in the telecommunications industry has been even more dramatic than in banking. In the 1970s, the telephone network was a reasonably straightforward system made up of a hundred million telephones that were linked by twisted wires that terminated in one of 20,000 local phone company offices. In the 1980s, what had been incremental for decades became a revolution in technology and economics—lasers, microwave transmission, communications satellites, digital switches, and hair-thin glass fiber cable. Copper wires are a near anachronism. Terminals no longer terminate. Instead, they interconnect along a geodesic—a path of minimum length that permits a multiplicity of options for low-cost communicating.
Recognizing that this new era in telecommunications will play out through the policies of intergovernmental fiscal and regulatory bodies, the Commission has spent much of this past year examining the policy implications of the new economics in this industry. Two reports are forthcoming. The State of Maryland also contracted with ACIR to undertake a study of telecommunications taxation in Maryland, a project that was completed in December.

The Intergovernmental Regulation of Telecommunications, adopted by the Commission on September 29, 1989, begins by detailing the process whereby the “telephone industry” evolved from one of competition to one of monopoly by the American Telegraph and Telephone. The report then focuses on the events that led to the breakup of AT&T, with specific attention given to the intergovernmental regulatory tensions between the state public utilities commissions, the U.S. Department of Justice, and the Federal Communications Commission. The study concludes with a review of the range of present state policies designed to promote the long-term regulatory goal of universal service, the evolving FCC policy relating to the cross-subsidy of local telephone service by the nation’s long-distance carriers, and the recent attempts by the federal government to preempt state regulatory authority over the business of telecommunications activities. The report contains Commission policy recommendations relating to the need for continued regulatory experimentation among the states, the promotion of universal access, clarification of federal preemption authority, and strengthening joint board and conference procedures.

State Taxation of Telecommunications, adopted by the Commission on September 29, 1989, complements the regulatory report. Like the study on regulation, the tax report begins with a review of the economic and technological developments in the industry, but then it puts this history into the context of state tax policy. After setting out a normative framework for evaluating the taxation of telecommunications firms, the study examines the questions and issues of defining what is to be taxed (firms and/or services) and the degree of intra- and inter-industry competitiveness as it pertains to voice transmission. The tax report also treats the distinction, if any, that must be made between the new set of long-distance carriers and the local operating company. The study discusses the arguments for and against various forms of taxation applied to telecommunications firms, and the special issues of the taxation of access charges and the apportionment of interstate revenues.

The telecommunications taxation report concludes with a set of key findings and Commission policy recommendations. These relate to the taxation of access charges, the merits of differential treatment of long-distance versus local operating companies, and the need for further research regarding the apportionment of multi-state receipts. The Commission recommends that (1) special taxation be removed to promote tax neutrality, and (2) experimentation with alternative measures of apportionment of inter-state income and receipts be continued.

Local Revenue Diversification. Commission staff and consultants have been working on a four-part series on ways that local governments can lessen their reliance on property taxes by diversifying their revenue bases. The 1989 publication on sales taxes is the third part, following volumes on user charges (SR-6) and local income taxes (SR-10).

Local Revenue Diversification: Local Sales Taxes (SR-12). Local sales taxes are the second largest source of local tax revenue in the United States, used in approximately 7,000 jurisdictions in 30 states. The tax is particularly important to cities, where in 1987 it accounted for 10 percent of own-source revenues and 17 percent of local tax collections. This report updates two earlier ACIR reports on the sales tax (1961 and 1974), including data on its continued growth and the results of recent research. It also describes the development and use of the local sales tax, discusses its rationales and effects, identifies design considerations, and outlines current issues.

Local Revenue Diversification: Rural Economies (SR-13). This last part of the four-volume report on local revenue diversification is being prepared for publication. It consists of three papers applying the concept to rural economies. The report is both practical and theoretical—two of the papers explore the experience of rural states and communities with local revenue diversification, and the third presents arguments for and against revenue diversification in rural communities.

State Tax Studies. With contracts from three state governments, the Commission capitalized on a significant opportunity to extend to local governments its analyses of representative revenue and expenditure capacities. This is a type of analysis that ACIR pioneered and has been applying to the states since 1962. Like the federal government, state governments are facing increasing demands on limited resources. As a result of federal actions cutting aid to states, the increasing use of unfunded mandates, and discontinuance of some programs that the states have had to pick up, the states are under increased fiscal pressures to provide increased aid to local governments. Applying the ACIR methodology to local government data could help states to spend their money more efficiently by targeting limited funds to the local governments most in need.
The ACIR staff completed a major analysis of state-county fiscal relations in Hawaii, performed under contract for the Hawaii Tax Review Commission. Ideas from that report have been adopted by the Tax Review Commission and endorsed by the Governor of Hawaii.

The ACIR staff also is extending the representative expenditure analysis to the local governments in Maryland under contract to the Maryland Commission on Taxes and Tax Structure. The Commission has begun research for the South Carolina ACIR on an overview of the South Carolina tax system.

Early in the year, ACIR provided, under contract, an analysis of fiscal comparisons between Arizona and other states. This work was part of the study of the Arizona tax and expenditure system undertaken by the Arizona Joint Select Committee on State Revenues and Expenditures.

Interjurisdictional Tax and Policy Competition. Issues of interstate and interlocal competition within the United States are becoming a focus of increasing interest and concern. Along with the heightened visibility of worldwide competition among national governments has come increased awareness of competition among states, cities, and regions within the United States. ACIR has drafted a report intended to provide a conceptual overview of major issues related to interjurisdictional tax and policy competition.

Competition among governments tends to be beneficial because it increases the responsiveness of governments to their citizens. With competition among governments, citizens are more likely to receive the level of government services they desire at the lowest possible cost. However, competition can be harmful with respect to a policy dimension for which significant spillovers exist. Competition among governments also can be harmful when governments are allowed to impose negative spillovers on other governments, such as when governments are allowed to export their taxes to other jurisdictions.

One of the most important issues related to interjurisdictional competition is an evaluation of its benefits and costs within the American federal system. The report suggests that the criteria for evaluating the results of competition among governments are equity, efficiency, and maintaining the competitive viability of the states and of the substate governmental systems.

State School Aid Programs. In 1983, the Commission recommended that "states and localities continue experimentation in developing appropriate funding patterns in light of their distinctive circumstances (and that)... in this process (the states) should address the equity issue, both in terms of revenue raising and of equal access to a quality education." As a follow-up to this recommendation, the Commission directed the staff to study the structure of school finance with specific attention to the role of state aid. This forthcoming report, adopted by the Commission in September 1989, presents a detailed discussion of the trends in school expenditures, revenues, and state aid programs during the past quarter century. The analysis looks at school funding from the viewpoint of how state aid programs affect the public choices of individual consumers/voters. It concludes that the diversity in the 50 states makes nationwide generalizations about school finance difficult. The effect of specific state aid programs on equalizing school spending among districts depends on many complex factors affecting individual voters and local political institutions that influence the levels of school district spending.

Monitoring Intergovernmental Trends

A major focus of ACIR's work program involves monitoring changes in the federal system. The Commission has a number of regular publications that track changes in both fiscal and non-fiscal aspects of intergovernmental relations. These publications include the Significant Features of Fiscal Federalism volumes, the State-Local Government Finance Data and State Government Tax Revenue Data computer diskettes, the reports on state fiscal capacity and effort, the catalog of federal grant programs, the poll on public attitudes toward governments and taxes, and Intergovernmental Perspective. In addition to its regularly updated publications, ACIR has undertaken a large-scale project tracking changes in intergovernmental relations over the 1978-1988 decade. These publications are discussed in the following paragraphs:


Significant Features of Fiscal Federalism 1989 Edition. Volume II (M-163-II). Devoted largely to fiscal data, this volume is organized to allow the user to start with the "big picture" of the nation's economy and trends in the national income accounts and then to look at federal, state, and local finances in more detail. Volume II includes state profiles giving snapshots of state-local, state, and local revenues and expenditures; revenue and expenditure tables by source or function, percentage distribution, per capita, and as a percentage of personal income; historical federal, state, and local fiscal trends; aggregate government fiscal trends; intergovernmental revenues and expenditures; ACIR measures of state fiscal
capacity and effort; budget processes and tax and expenditure limitations; and state rankings of state-local revenue and expenditure items.

**Microcomputer Diskette Series.** In 1989, ACIR continued to offer two data sets available on microcomputer diskettes: State-Local Government Finance Data and State Government Tax Revenue Data. The diskettes will operate on any IBM or compatible microcomputer and are designed primarily for use with Lotus 1-2-3 and Symphony software. Detailed documentation is included for both series. The State-Local Government Finance Data (FY 1983-1987) series provides access to census finance data in a format not previously available. State-by-state data for 66 revenue and 70 expenditure classifications, population, and personal income are included on each two-diskette set. Data are available for state and local governments combined, state government only, or all local governments (aggregated by state) from 1983 through 1987. The State Government Tax Revenue Data (FY 1983-88) diskette makes the state tax portion of the U.S. Bureau of the Census government finance series available to the public six months earlier than the entire state-local government finance series. Six years of tax revenue data (FY 1983-88) are included on a single diskette. The revenue fields are basically the same as for the state-local series. The state government tax diskette does not contain any information on local government, nor does it contain any expenditure data.

**1986 State Fiscal Capacity and Effort (M-165).** This volume contains the latest estimates of states' fiscal capacity using ACIR's Representative Tax System and Representative Revenue System. These measures facilitate analysis by state and by revenue base, provide perspectives on economic trends, and can aid in designing grant formulas. The report contains graphs and tables on 30 tax and revenue bases for the 50 states.

**A Catalog of Federal Grant-in-Aid Programs to State and Local Governments: Grants Funded FY 1989 (M-167).** This catalog, first published in 1975, covers Congressional action from January 1, 1987, through December 31, 1988. It provides a snapshot of the scope and principal features of federal grant programs as of Fiscal Year 1989, and comments on major trends in categorical and block grants during the past two years, the eight years of the Reagan Administration, and the decade 1978-88.

The Commission found that a comparison of categorical grants by function in FY 1987 and FY 1989 revealed shifts in federal policy emphasis. New grant programs tended to focus on substance abuse, the homeless, AIDS, and various facets of education, including bilingualism and functional literacy. The FY 1987-89 period also witnessed a continuation of the long-term trend of a decline in the proportion of programs requiring nonfederal matching.

**Changing Public Attitudes on Governments and Taxes (S-18).** This publication presents the 18th annual survey of public attitudes toward federal, state, and local governments and toward taxes. The 1989 survey, conducted for ACIR by the Gallup Organization, asked 15 questions and involved a national sample of 1,029 respondents. The federal government was chosen by most respondents as the one they trusted and had the most confidence in to fight drugs (five other major issues also were tested). Local governments were ranked highest on questions about responding best to citizens' needs, honesty of officials, and spending tax dollars most wisely. For the first time since 1978, the local property tax—not the federal income tax—was rated as worst, or least fair. The report presents the results and analysis for the questions asked in 1989 and an index of those asked since the surveys were begun.

**Intergovernmental Perspective.** ACIR has published this quarterly magazine for 15 years. The Commission celebrated its 30th Anniversary with a special issue of *Intergovernmental Perspective,* "ACIR and the Federal System, 1959-1989," which contains articles on changes in intergovernmental relations over the past 30 years by ACIR's chairman, Robert B. Hawkins; executive directors of ACIR; Commission division directors; and presidents of the national associations of state and local governments.

**Decade of Change.** By all accounts, significant changes have been occurring in the federal system in recent years, particularly since 1978. Part of the Commission's work in 1989 focused on changes in federalism that have occurred in the 1978-1988 decade. The 1989 "Decade of Change" publication is just the beginning of a large-scale project that will accomplish three things. First, it will document systematically and evaluate the major changes in the intergovernmental system over the decade. Second, the research will analyze and explain several intergovernmental trends in greater detail and explore their larger consequences and implications for the intergovernmental system. Third, the study will evaluate and react to the overall shifts in authority, responsibilities, and fiscal flows over the decade of 1977-87, and project the implications of these trends into the next century.

**Readings in Federalism: Perspectives on a Decade of Change (SR-11).** This book of readings, from *Intergovernmental Perspective* and other ACIR reports, provides a convenient overview of the many developments, especially in fiscal federalism, that have brought about the current condi-
tion of federalism. The essays cover 30 years, but the main focus is on the period 1978-1989.

The Continuing Research Program

Following extensive work by the Research Review Committee, the Commission approved a new research program to be undertaken between 1990 and 1993. In addition to the continuing monitoring of the federal system, the topics in the new program include: a "decade of change" in American federalism; state courts and local autonomy; immigration and federalism; federal, state, and local compliance with federal mandates—the case of environmental protection; federalism impact analyses; siting locally unwanted land uses (LULUs); public works perspectives; the role of the National Guard in protecting the nation and the states; Medicaid; home rule; state assumption of local functions; financing streets and highways; shifting functions in the federal system; strengthening state and local revenue systems; property taxes; state-local relations; state taxation of insurance; benefit financing; local fiscal capacity and fiscal equalization; world competitiveness in telecommunications; the interplay of federal and state-local tax reform; intergovernmental personnel policy; presidential management of intergovernmental relations; statewide information and data networks; state-state and state-federal taxation and regulation compacts; and antitrust policy in the federal system.

The Commission is seeking outside funding for a number of other projects. They include: improving educational outcomes; coordinating governments in the federal system for effective drug abuse law enforcement; solid and hazardous waste management; housing assistance; welfare reform in the intergovernmental system; child care; metropolitan area case studies on interjurisdictional tax and policy competition and cooperation; intergovernmental approaches to work force preparation; federal grant formulas; enterprise zones; and tribal governments in the American federal system.
Outside Income

Under Congressional direction, ACIR is making every effort to increase its revenue from three sources in addition to federal appropriations: state contributions, contract research, and publications sales. The contract research has been discussed throughout this report. State contributions and marketing activities are discussed in the following paragraphs.

State Contributions

ACIR has requested contributions from the states since the early 1970s and has been permitted to keep the proceeds in a special account. Annual requests are based on state population and range from $5,000 to $13,000. During FY 1989, $182,500 was received from 30 states, an increase of 7 states over FY 1988. A monitoring system tracks the inclusion of ACIR's contribution requests in state executive budgets and legislative appropriation bills, identifies key state contact points during the budget and appropriation processes, and synchronizes the issuance of ACIR invoices with state payment cycles.

Marketing of Publications

Pursuant to a Congressional directive, ACIR continued to increase its income substantially from publications sales in FY 1989. The proceeds—like those from state contributions—are used to supplement ACIR's budget. Several techniques are used to promote sales of ACIR publications and diskettes.

Omnibus catalogs, issued every four or five months, list all ACIR publications and microcomputer diskettes. These catalogs are used both for displays at meetings and for mailings.

Special brochures developed for ACIR publications and microcomputer diskette series are mailed to targeted lists.

Special "personalized" mailings are sent periodically to selected groups of individuals (e.g., political science professors, bond houses and financial institutions) where there is a potential market.

Constituent mailings announce publications to media outlets and periodicals of specialized organizations. In addition, these go to state ACIRs, municipal leagues, state legislative reference libraries, media representatives, contributors, and others interested in the work of ACIR.

ACIR's quarterly magazine, Intergovernmental Perspective, is sent free to approximately 20,000 individuals as an advertising vehicle for the Commission's products. Pages are devoted to promoting various publications, as are some summary articles.

ACIR displays its publications and diskettes at meetings of groups likely to be interested in ACIR products. Often, this takes the form of full displays of targeted publications. In addition, brochures are sent to smaller meetings and regional meetings of public interest groups for display at the registration desk.

Issuance of a publication frequently is accompanied by a press release or announcement. The release is sent both to mass media outlets and to specialized and targeted periodicals. If a report contains policy recommendations, the publication will have been announced previously in a press release reporting the Commission's actions.

Complimentary copies of selected ACIR publications are sent to periodicals with the request that they review it or otherwise notify readers of its availability. ACIR also offers a $100 annual publication subscription package.

The Chairman and the staff have continued to be active with a variety of groups across the country through speaking engagements that promote ACIR publications and diskettes, and occasionally bring in honoraria to supplement the ACIR budget. A list of speeches is provided in Appendix E.
Appendices

Appendix A  Members of the Advisory Commission on Intergovernmental Relations
Appendix B  Commission Meetings: 1989
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Appendix A

Members of the
Advisory Commission on Intergovernmental Relations
December 31, 1989

Private Citizens
Daniel J. Elazar, Philadelphia, Pennsylvania
Robert B. Hawkins, Jr., Chairman, San Francisco, California
Mary Ellen Joyce, Arlington, Virginia

Members of the U.S. Senate
Dave Durenberger, Minnesota
Carl Levin, Michigan
Charles S. Robb, Virginia

Members of the U.S. House of Representatives
Sander Levin, Michigan
Ted Weiss, New York
Vacancy

Officers of the Executive Branch,
U.S. Government
Debra Rae Anderson, Deputy Assistant to the President,
Director, Office of Intergovernmental Affairs
Samuel K. Skinner, Secretary, Department of Transportation
Richard L. Thornburgh, Attorney General

Governors
John Ashcroft, Missouri
George A. Sinner, North Dakota
Vacancy
Vacancy

Mayors
Donald M. Fraser, Minneapolis, Minnesota
William H. Hudnut, III, Indianapolis, Indiana
Robert M. Isaac, Colorado Springs, Colorado
Vacancy

Members of State Legislatures
John T. Bragg, Tennessee House of Representatives
David E. Nething, North Dakota Senate
Ted Strickland, Colorado Senate

Elected County Officials
Harvey Ruvin, Dade County, Florida, County Commission
Sandra Smoley, Sacramento County, California, Board of Supervisors
James J. Snyder, Cattaraugus County, New York, County Legislature
### Appendix B

**Commission Meetings: 1989**

<table>
<thead>
<tr>
<th>Date</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 10, 1989</td>
<td>Washington, DC</td>
</tr>
<tr>
<td>June 9, 1989</td>
<td>Colorado Springs, Colorado</td>
</tr>
<tr>
<td>September 29, 1989</td>
<td>Washington, DC</td>
</tr>
</tbody>
</table>
Appendix D
Publications Issued in 1989

Reports Containing Commission Recommendations
A-111  Disability Rights Mandates: Federal and State Compliance with Employment Protections and Architectural Barrier Removal ($10)
A-112  Residential Community Associations: Private Governments in the Intergovernmental System? ($10)

Information Reports
M-164  Hearings on Constitutional Reform of Federalism: Statements by State and Local Government Association Representatives ($5)
M-165  1986 State Fiscal Capacity and Effort ($15)
M-166  Residential Community Associations: Questions and Answers for Public Officials ($5)
M-167  A Catalog of Federal Grant-in-Aid Programs to State and Local Governments: Grants Funded FY 1989 ($10)
M-168  State Taxation of Banks: Issues and Options ($10)

Staff Reports
SR-11  Readings in Federalism: Perspectives on a Decade of Change ($10)
SR-12  Local Revenue Diversification: Local Sales Taxes ($8)

Survey Reports
S-18   Changing Public Attitudes on Governments and Taxes: 1989 ($10)

Intergovernmental Perspective
"Metropolitan Governance Forum on the St. Louis Area" (Winter 1989)
"Changing Patterns of Finance and Governance" (Spring 1989)
"Judicial Federalism" (Summer 1989)
"ACIR and the Federal System 1959-1989" (Fall 1989)

Diskettes
State-Local Government Finance Data, FY 1983-87
State Government Tax Revenue Data, FY 1983-88
Apppendix E
1989 Staff Speaking Engagements


Robert D. Ebel, "A Decade of Change in Intergovernmental Relations," an Address to the University of Southern California School of Accounting Symposium on Fiscal Issues, Newport Beach, CA, January 12, 1989.


Bruce D. McDowell, "Financing Infrastructure with No New Taxes," Growth Forum, University of Texas, Austin, TX, April 21, 1989.


Bruce D. McDowell, "Performance Planning."


John Kincaid, chaired panel on "The Impacts of Reagan Federalism" at the Annual Meeting of the Political Science Association, Atlanta, GA, September 1, 1989.


Bruce D. McDowell, "Thinking Regionally: Areawide Functions, Existing Regional Institutions, COGs, and Other Alternatives," Hampton Roads Chamber of Commerce, Hampton Roads, VA, December 1, 1989.

Barbara J. Lipman, "Taxation of Telecommunications in Maryland," presentation of her paper before the Maryland Commission on State Taxes and Tax Structure, Annapolis, MD, December 5, 1989.


## Appendix F

### Salaries and Expenses

(in thousands)

<table>
<thead>
<tr>
<th>Object Classification</th>
<th>FY 1989 Actual</th>
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<tr>
<td>Personnel compensation</td>
<td>$ 659</td>
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<tr>
<td>Civilian personnel benefits</td>
<td>122</td>
</tr>
<tr>
<td>Unemployment benefits</td>
<td>14</td>
</tr>
<tr>
<td>Travel and transportation of persons:</td>
<td></td>
</tr>
<tr>
<td>- Staff travel</td>
<td>11</td>
</tr>
<tr>
<td>- Commission travel</td>
<td>6</td>
</tr>
<tr>
<td>- Invitational travel</td>
<td>15</td>
</tr>
<tr>
<td>Transportation of things</td>
<td>6</td>
</tr>
<tr>
<td>Rental payments to GSA</td>
<td>173</td>
</tr>
<tr>
<td>Communications, utilities, and miscellaneous charges</td>
<td>...</td>
</tr>
<tr>
<td>Printing and reproduction</td>
<td>...</td>
</tr>
<tr>
<td>Other services</td>
<td>26</td>
</tr>
<tr>
<td>Supplies and materials</td>
<td>3</td>
</tr>
<tr>
<td>Equipment</td>
<td>5</td>
</tr>
</tbody>
</table>

**Total direct obligations** $1,040
Appendix G
Financial Support

ACIR’s Productivity

Our FY 1989 goal was to maintain or increase the level of productivity that characterized FY 1988, despite a declining appropriation. ACIR has achieved this goal. For the third year in a row, ACIR had one of the highest levels of productivity per employee in its 30-year history.

With the close of FY 1989, ACIR finally was able to concentrate more effectively on its mission. The FY 1990 appropriation of $1,285,000, after Gramm-Rudman-Hollings, is slightly below the minimum base the Commission has sought from the Congress. Productivity increases should inure with the stabilization of appropriated funding and can accelerate with the receipt of additional outside funds from contracts, sales, and contributions.

ACIR’s FY 1991 Budget Request

ACIR’s budget request for FY 1991 is $1,300,000. This level of appropriation falls within OMB guidelines and is essential if ACIR is to be a viable federal agency.

Product Sales and State Contributions

ACIR has made a major effort to increase revenues from product sales and state contributions. Revenue from both sources increased from FY 1988 to FY 1989. A record amount of contributions was received from states in FY 1989, and additional increases in revenue from this source will continue to be sought by the Commission, although soliciting such contributions is a difficult and time-consuming process.

ACIR Cost-Reduction Measures

During the past six years, ACIR has regularly instituted cost-reduction measures.

- **Permanent Staff Reduction and Increased Use of Contractors.** Since FY 1986, ACIR has made greater use of “life-of-project” contractors (individuals or firms) rather than permanent staff to reduce overall personnel, employment advertising and search, and project start-up costs. The ACIR achieved a net reduction of two total compensable work years in FY 1988 and two in FY 1989.

- **Space.** In compliance with Reform 88 initiatives (to reduce overall federal office space utilization) and coincident with the reduction in permanent staff and funding, ACIR again reduced its office space in FY 1989, this time by 2,326 square feet—the fourth straight year either office or warehouse space has been reduced. This resulted in a savings of approximately $16,000 in FY 1989.

It is anticipated that these savings and ACIR’s ability to retain revenues from the sale of goods and services will allow the Commission to continue living within the Office of Management and Budget’s Long-Range Guidelines through FY 1993. However, the Commission is no longer in a position to reduce staff, space, or other aspects of its operation without also reducing productivity significantly. The Commission’s 30-year record of remaining small and frugal while maintaining its vitality and high productivity will be sorely tested over the next several years.

It should be noted that a “fly in the ointment” is the GSA-forced move that ACIR is currently facing. Although the move does offer the opportunity to further reduce space, it is projected to increase our rental costs substantially.
Appendix H1
ACIR Revenue History, FY 1960-90

Total Revenues (in 000s)

Fiscal Years

60 65 70 75 80 85 90 Est.

Appropriation
Federal Research and Administrative Contracts
Foundations
Contributions
Publication and Diskette Sales
Appendix H2
ACIR Revenue History, FY 1960-89
(in constant 1985 dollars)
Appendix H3
ACIR Personnel History, FY 1961-90

Fiscal Years

Number

Permanent Employees

Temporary and Contract Employees
Appendix H4
ACIR Publication and Product Production, FY 1960-89
(by date of release)

Number

Fiscal Years

Policy Reports
Information Reports
Other Products

60 65 70 75 80 85 89
Appendix H5
ACIR Office and Warehouse Space History, FY 1979-89

Fiscal Years

Office Space
Warehouse Space

Space

79 80 81 82 83 84 85 86 87 88 89 90

Est.