Federalism in 1970
Twelfth Annual Report
Advisory Commission on Intergovernmental Relations
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS
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ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

TWELFTH ANNUAL REPORT

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January 31, 1971
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Dear Mr. President:

I have the honor to submit the Twelfth Annual Report of the Advisory Commission on Intergovernmental Relations, pursuant to Public Law 86-380, which requires the submission of a report on or before January 31 of each year. As provided in the statute, a copy of this report also is being transmitted to the Vice President and to the Speaker of the House of Representatives.

Respectfully submitted,

Robert E. Merriam
Chairman

The President
The White House
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Chapter 1

FEDERALISM IN 1970

For the cause of federalism, 1970 was neither the best of years nor the worst of years. No major intergovernmental issues were resolved. No big breakthroughs occurred. And still unanswered is the nagging question of whether, in the face of political and institutional inertia, the American federal system can be revitalized, whether in fact it can become a strong partnership of strong partners.

Some progress was made and there was promise of more to come —

- Both the executive and legislative branches at the Federal level underwent some reorganization. This face-lifting holds promise of improving Federal-State-local relations.
- The block grant concept survived — albeit somewhat modified — in the renewed Safe Streets Act.
- The Intergovernmental Personnel and Uniform Relocation Acts beat the adjournment bell. And the first step toward a national urbanization and growth policy was taken in the final compromise version of the 1970 omnibus housing law.

On the other hand —

- Pressure grew throughout the year for early enactment of revenue sharing — but no action. Strong opposition by key congressmen and lack of unity among the proponents were two reasons.
- Nearly everyone agreed that welfare programs require major revamping. But the Senate balked at approving the Administration’s proposed first step — the Family Assistance Plan.
- The bewildering maze of categorical Federal grant programs continued to frustrate effective utilization of Federal aid. But grant consolidation and joint funding proposals died in committee.

At the State and local level —

- Environmental control, a pressing intergovernmental problem, proved its current popularity at the ballot box when most bond issues for this purpose passed. But most bond issues for housing, equally pressing, were defeated.
- Some States moved to revise their constitutions, but in general other reform proposals were rejected.
- Local government structure and powers were improved and updated in scattered cases, but the chaotic local government pattern in the Nation’s major metropolitan areas continued to be largely ignored.

In its annual report a year ago the Commission assessed how federalism fared in the sixties. Serious lack of balance was the dominant theme. A system badly out of kilter was the picture that emerged. That image holds true today.

Balance is central to the concept of federalism — balance in decision-making power, balance in fiscal resources, balance in program responsibilities. Yet a decade of probing study by the Commission documents the fact that the federal system now lacks that essential element.

Can balance be restored?

The Commission believes that it can, but its restoration will require major changes in our governmental institutions, programs, and procedures — changes that will permit effective response to the aspirations of youth, the frustrations of minorities and the supplications of the poor, as well as the general public service needs and personal safety demands of all.

Some of these changes require decentralization of decision-making authority. Others call for centralization of fiscal and administrative responsibility. Still others demand the use of innovative areawide governmental entities with sufficient jurisdictional reach and fiscal resources to cope with problems that overlap existing boundary lines.

To this end, the Commission, during its 11-year history, has fashioned an ambitious action agenda consisting of proposals for the institutional, program and procedural changes needed to revitalize the federal system and to achieve a strong partnership of strong partners.

As can be expected with a Commission whose
members are drawn from all levels of government and the general public, there often are differences of opinion on proposals that involve far-reaching changes. The policy reports issued by the Commission contain the statements of members who have dissented from particular majority proposals or who have abstained from voting on certain policy recommendations. The present members of the Commission from the Executive Branch of the Federal Government have pointed out that in large measure the policy recommendations developed by the Commission over the years are consistent with the basic ideas and directions of the present Administration's domestic policy reforms. They have noted, however, that the Administration policies and Commission recommendations are not in complete accord as to a few immediate needs and priorities — in those areas of difference, the Federal Executive Branch members fully support the Administration's policies and priorities on Federal system reform.

The Commission's action agenda — an "agenda for the seventies" — calls for: restoring fiscal balance; strengthening elected officials at all levels; developing comprehensive, rational urban and rural growth policies; civilizing the local government structural jungles; and stimulating massive State commitment to the solution of urban problems.

Progress toward these difficult but attainable goals reveals how how federalism fared in 1970.

**RESTORING FISCAL BALANCE**

Growing fiscal imbalance threatens serious damage to the federal system. On the domestic scene most of the problems are in the crowded urban and depressed rural areas. But Washington has most of the money.

The personal income tax is the Nation's prime revenue source and by far the most responsive to economic growth. For every 10 percent of growth in the national economy, Federal income tax receipts automatically jump about 15 percent. The Federal Government collects 90 percent of the personal income tax liability for State and local income payments. Such a tax credit would encourage increased State use of this productive revenue source on which the Federal Government now has a near monopoly.

Substantial support has been voiced — at least for revenue sharing — but no final action. The President actively seeks revenue sharing; one-third of the Congress has introduced or co-sponsored revenue sharing bills; the public is behind it, according to a Gallup poll; the news media have begun to urge it; and State and local leaders have formed an alliance to push for passage — a feat in itself. But all this is to no avail unless hearings are held and a bill reported out for floor action. That vital first step has not been taken. This Commission's proposed Intergovernmental Revenue Act (S. 2483), which would combine revenue sharing with income tax credits, was well aired before the Senate Subcommittee on Intergovernmental Relations, but it stopped there.

Revenue sharing is nothing new on the State-local scene. Most of the States provide some type of "general support" for local government, and in a dozen States the amounts involved are significant. Indeed, New York State has adopted a new State-local revenue sharing plan which is expected to total $600 million in its first year, 1971-72 — an amount that is $100 million more than was initially proposed by the Administration for the first year of its Federal revenue sharing plan.

Federal aid helps. It now accounts for nearly one-fifth of all State-local expenditures. But it is disbursed through some 430 separate grant authorizations, virtually all of them narrowly focused and circumscribed with detailed prescriptions and complex reporting requirements. Only the most sophisticated grantsman can maneuver his way successfully through this bewildering thicket.

To attack the State-local fiscal crisis and to restore fiscal balance the Commission offers a four-point program: Federal revenue sharing and tax credits, Federal takeover of welfare costs, State assumption of nearly all non-federal public education expenses, and State-local tax reform, especially on the property tax front.

**Revenue Sharing and Tax Credits**

Under revenue sharing, the National Government would share a designated portion of the Federal personal income tax revenue with State and local governments on a "no expenditure strings" basis to bolster decision-making by elected State and local officials and to enable flexible use of this money to meet the highest priorities in each area.

The tax credit proposal calls upon the Federal Government to provide substantial credit against Federal personal income tax liability for State and local income tax payments. Such a tax credit would encourage increased State use of this productive revenue source on which the Federal Government now has a near monopoly.

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Welfare Reform

Nobody likes the existing welfare system but no one has yet been able to develop a clearly superior alternative and garner enough support to get it adopted. The welfare system is presented as a Federal-State program and the States do set payment levels. But here even more than in other categorical programs, the Federal partner dominates although the States and localities still pay about half the tab.

The existing hodge-podge of programs is plagued with accelerating caseloads and skyrocketing expenditures. Federal costs alone in fiscal 1971 reportedly were running $1.25 billion above budgetary expectations. The States and localities pick up about half the overall cost, but not evenly. The result is inequality of welfare treatment. Court decisions eliminating State residency requirements permit and perhaps encourage welfare clients to migrate. States that underwrite generous assistance programs find their caseloads expanding while those that are unable or unwilling to provide a minimum level of public aid consistent with family needs find their caseloads diminishing. And this has grave implications not only for health and human dignity but also for patterns of future urban and rural growth.

The Commission has suggested Federal takeover of welfare and medicaid costs with uniform standards, but continued State-local administration. The National Governors' Conference has urged full Federal funding of welfare costs and the Committee for Economic Development has recommended Federal takeover of both welfare costs and administration. The Nixon Administration's proposed Family Assistance Plan would make standards more uniform and assume slightly more of the financial burden at the Federal level. It passed the House, but died in the Senate despite last-ditch efforts to save it.

Overhaul the System

Even if the property tax were relieved of most of the pressure of supporting education, it would still be regressive and, in many cases, poorly administered. Most States urgently need to overhaul their outmoded statewide and local revenue systems to increase productivity and to eliminate disparities. The long-range trends are in the right direction — over the past 20 years 16 States have adopted State income tax-sales tax systems. No breakthroughs were recorded in 1970, but a few property tax reforms occurred. While no State adopted an income tax in 1970, it was proposed in Washington and South Dakota, but defeated at the polls.

The mood of the electorate determines the speed with which reforms can be made. The results of the November 1970 elections were as confusing and contradictory as other events of the year. Tax hikes were a sensitive issue — income tax imposition allegedly toppled one governor. However other elected State officials who put their political careers on the line by facing up squarely to the need for State-local tax reform were reelected — indicating that tax reform need not be politically fatal.

Public reaction to construction needs also was revealing. The people approved three-quarters of the dollar value of new bond authorizations compared with a 60 percent rejection rate last year. Almost all environmental issues — mostly for sewage treatment plants — were approved, but issues for housing were turned down in most cases.

Financing Education

The growing disparities between the central city and the suburbs are apparent in the welfare problem. They are even more obvious in the education fiscal crisis. The metropolitan areas of the Nation account for at least three-quarters of the country's bank accounts, Federal personal income tax collections and the value added by manufacture. Yet these resources cannot be applied to the education of many of the area's young people (nor for that matter to police or fire protection, or to redeveloping blighted neighborhoods) because much of the taxable wealth is in the suburbs and the worst problems are concentrated in the central city. At the root of the dilemma is the central city's lack of jurisdictional reach and the fragmented property tax base, which finances most local services.

To keep up with demands for services, property taxes have grown to the point where the burden in many areas is well-nigh unbearable particularly for low-income citizens. In addition, over the years education has claimed a much greater share of property tax revenues.

The Commission recommends substantial State takeover of education costs to remove that major drag on the property tax and to equalize educational opportunity throughout the State. The idea has received considerable publicity. The Education Commission of the States has been pushing it; Michigan's governor proposed it; Minnesota's governor-elect called for it; Maryland has been studying it; and the new Illinois constitution opens the way in that State.

Some States, including Illinois and Maine, significantly increased State aid to education in 1970. But in most States substantial takeover of school costs is still in the talk stage.
WHO'S IN CHARGE?

Government of the people, by the people and for the people is a basic tenet of our system. But elected officials at all levels have found it increasingly difficult to exercise real policy control over the governmental programs that they create and fund.

Government today is big and complex — and, given the multitude of unsolved problems and the magnitude of unmet needs, there is virtually no evidence to support the nostalgic hope that it will become less so.

Many mayors, county executives, governors, and even some Presidents, have learned to their sorrow that policy decisions all too often become altered or lost as they trickle down through the bureaucratic infrastructure. And many legislative bodies, even today, are ill-equipped to determine whether “legislative intent” actually is carried out.

During 1970, a number of undramatic, little-noticed measures were taken to restore to elected policy-makers at all levels a firmer grip on the reins of government.

Federal Management Progress

At the Federal level, measures were taken to strengthen control in the President’s office and in Congress; and also to buttress decision-making at the regional level.

The President, in Reorganization Plan No. 2 of 1970, established a Domestic Council to coordinate domestic policy formulation; and an Office of Management and Budget to strengthen his managerial control. The plan was heralded as giving the President the machinery to oversee the evolution of federalism. However, some critics note the possibility of conflict between the two new bodies, and question the feasibility of institutionalizing in a Domestic Council the policy-developing mechanism of the President.

The Legislative Reorganization Act of 1970 (P.L. 91-510) among other things, was designed to strengthen congressional fiscal controls and speed action on appropriations. It calls for standardization and computerization of Federal budgetary and fiscal data; directs the President to supply Congress with a five-year forecast of the fiscal impact of each Federal program; and directs congressional committees to include five-year cost projections in committee reports on all substantive legislation.

To expedite funding, the Act requires the House Appropriations Committee to hold hearings within 30 days after the President sends the budget to Congress. The Act is modest in tone and goal, but it could help to make Federal aid more certain, an urgent need seen by the Commission in its 1970 report on capital facilities financing. Greater certainty in Federal aid might reduce the pressure for rigid financing mechanisms, such as trust funds, which make the Federal budget less subject to control. In the budget for fiscal 1971, 69 percent of budget outlays have been called “relatively uncontrollable,” up from 64 percent in fiscal 1969, and 66 percent in fiscal 1970. These Federal long-term financial commitments generally go for bricks-and-mortar projects. The “soft” people-oriented programs — education, community action, manpower training — take the brunt of budget pruning in times of fiscal stringency.

Steps to decentralize Federal management included the realignment of regional boundaries and delegation of more decision-making authority to the regions, both begun previously but completed in 1970. The field-map of five agencies was reorganized to establish ten standard regions with coterminous boundaries and common headquarters. The agencies involved were the Departments of Health, Education and Welfare; Housing and Urban Development; Labor; the Office of Economic Opportunity; and the Small Business Administration. The Commission had called for this move in a 1967 report. Despite considerable fears expressed over the changes, and some opposition to certain of the moves, they were accomplished with minimum turmoil or political repurcussion. Each region has established a regional council, made up of the regional directors of the five agencies, which is expected to become the Federal focal point in the field for State and local officials.

One soft spot in the arrangement may cause difficulty. Experience indicates that “equals” cannot coordinate “equals.” The “head knocking” that occasionally may be required is the responsibility of OMB, the President’s managerial arm, but as a Washington based agency OMB may be hard put to carry out this function effectively.

The parent agencies have been making some effort to delegate more project-approval authority to field offices. But even for those grant programs where this change is clearly desirable it requires competent personnel at the field office level and proper organization at the Washington level. To date, less than one-tenth of grant approvals have been delegated, very few of them in the big-money programs. However, it is a beginning, and noteworthy considering the basic hostility of many program specialists, interest groups and some members of Congress.

Intergovernmental Cooperation

Both advances and retreats marked the campaign to systematize the chaos of Federal grants-in-aid. The Commission has sought more extensive use of block grants — broad program grants rather than narrow
categorical aid to States and localities — to foster State responsibility and provide greater flexibility in meeting varied local needs. The Commission also has urged bureaucratic streamlining to improve efficiency and reduce delay, eliminate overlaps and plug gaps. The block grant approach suffered a slight setback but some progress was made on the administrative simplification front.

The block grant concept was somewhat modified by Congress in legislation extending the Omnibus Crime Control and Safe Streets Act. Although the Act still will be funded primarily through broad grants to the States, the 1970 legislation (P.L. 91-644) earmarked portions of the money for corrections and called for a separate corrections plan. This step was somewhat reminiscent of what happened to the first block grant — the Partnership for Health program — which was diluted when much of the money subsequently was earmarked by the administering agency and Congress for specific purposes.

The Intergovernmental Cooperation Act of 1968 (P.L. 90-577) has been seen as a major potential breakthrough for cleaning up grant administration. However, only in 1970 was it implemented through four Office of Management and Budget circulars. Congress built upon this good beginning by passing two complementary measures, the Intergovernmental Personnel Act (P.L. 91-468) and the Uniform Relocation and Land Acquisition Policies Act (P.L. 91-646) at the very end of the year. However, two other important measures, the proposed Intergovernmental Cooperation Act Amendments and the Joint Funding Simplification bill, died at the end of the session.

OMB Circular A-95 to implement the Intergovernmental Cooperation Act of 1968 (P.L. 90-577) is aimed at improving the ability of elected officials, especially governors, to strengthen State and areawide planning and program coordination. It established procedures for State and areawide bodies to review for intergovernmental impact the grant applications for about 50 programs. At first, concern was expressed that the procedure would inundate the States with meaningless paperwork. But after field visits to several States in 1970, an OMB task force concluded that A-95 was not proving to be a burden. On the other hand, there are indications that the States have not yet begun using the procedure to its full potential for planning and budgeting.

Better information on grants was seen as another component of improved planning and coordination. Office of Management and Budget Circular A-98 was developed in 1970 to plug an information gap on grant allocations and awards by establishing standard reporting procedures for providing such information to governors and legislatures. Each State established a central information center to receive Federal data under A-98. However, administrative difficulties have slowed initiation of the procedure.

In the past, the Federal Government furnished technical and special services to State and local governments largely on an ad hoc basis. OMB Circular A-97 set out a uniform manner for providing such Federal services. The Civil Service Commission, moving rapidly on this front, opened its training programs to State and local personnel. Between January 1969 and December 1970, more than 8,000 State and local employees participated in these training sessions.

A big step on the personnel front was taken in the Intergovernmental Personnel Act (P.L. 91-648), adopted late in 1970. For the first time, national recognition is given to the need to strengthen core management at the State and local levels by upgrading personnel and improving personnel administration. It establishes a personnel interchange program, provides training grants for persons not covered by functional aid, and gives assistance for improving personnel administration. Through a modified block grant approach, the Act encourages a statewide focus on personnel needs but protects localities in States that do not participate or where State plans do not cover special local needs. The potential benefit of the Act is enormous, but it awaits implementation. The money involved is modest, but it can be targeted on a small, crucial group of State and local management people.

A big part of the Federal aid morass is red tape and unnecessary Federal strings. OMB Circular A-96, implementing the Intergovernmental Cooperation Act of 1968, takes a stab at cutting through some of the tape and strings. It permits the waiver of the single State agency requirement in grant programs, eliminates the requirement that States maintain separate bank accounts for individual Federal aid projects, and speeds the scheduling of fund transfers to States. Few complaints have been registered in implementing the Circular, but the States have made little use of the single agency waiver, so far. The proposed Intergovernmental Cooperation Act Amendments which died in the last days of Congress, would have gone much further in cutting red tape. Also, the Joint Funding bill, another casualty, would have facilitated the packaging of grants to meet individual State and local needs. Both were Commission proposals and will be reintroduced in the next Congress.

Federal agencies also took administrative initiative to cut down paperwork and delays in grant management:

- HUD launched a “proclaimer program” that permits selected mayors to bypass many detailed and time consuming regulations simply by proclaiming they will
carry out a Federally assisted urban development program in accord with all Federal requirements. If successful, this experiment will be dramatic evidence of Federal willingness to accept project performance as the test of program effectiveness rather than adherence to detailed, complex regulations.

- HEW substituted a brief five-to ten-page document for the lengthy “State plans” it used to require in 22 programs, eliminated reports mandated in 14 programs; and reduced reporting requirements in others.

- To overcome intergovernmental conflict and distrust in accounting and auditing, groups at all levels worked to develop a commonly accepted frame of reference for accounting and auditing responsibilities. A joint Audit Standards Work Group developed a common set of standards, criteria and guidelines. In addition, informal meetings of staff from the General Accounting Office, OMB, and State, county and city organizations opened up new lines of communications.

- OMB continued its drive to reduce processing time for grant applications, extending this efficiency campaign to 43 grant programs.

Land acquisition and relocation policies of different Federal programs have been glaringly inconsistent. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) — adopted at the end of the session — establishes a uniform schedule of relocation payments for individuals, families and businesses, forced to move as a consequence of Federal or Federally aided development programs. It also authorizes a simple method of disbursing relocation payments to low and average income persons forced to relocate and comes to grips with the problem of finding adequate replacement housing.

State Government Modernization

More States began to put their own houses in order in 1970 by streamlining executive organization and making officials more accountable to the people.

Delaware, Vermont and Massachusetts reorganized their executive branches into a few broad cabinet departments, cutting through the maze of agencies, commissions and boards. The voters in Montana and North Carolina also gave approval to the reduction of the number of administrative departments. Kansas, Maryland and North Carolina authorized their governors to reorganize the executive branch, subject to legislative veto, bringing to 11 the number of governors with that important management tool.

The decision-making authority of the governor was further strengthened in Massachusetts by giving all policy-making officials the same terms as the governor, in Colorado by giving the governor a freer hand to appoint the heads of most cabinet departments and revising the executive budget office, and in Kansas and Nebraska, by providing for the governor and lieutenant governor to run as a team.

Annual legislative sessions were initiated in Connecticut, Illinois, Indiana, Missouri, Nebraska and Virginia; two-thirds of the State legislatures now will meet every year in regular session.

Illinois and Virginia made extensive constitutional changes, but Arkansas and Idaho rejected proposals to modernize their basic charters. Montana and North Dakota residents voted to call constitutional conventions but the voters in Iowa turned down a similar proposal. The contention that piecemeal constitutional change is a better strategy than an all-or-nothing approach was borne out in Maryland where a totally new constitution was rejected in 1968 but many of its important provisions were passed individually in 1970. The Illinois and Virginia actions also underscore the merit of avoiding an “either-or” strategy.

Another dimension of government responsiveness to the citizens is in its dealings with its employees. Strikes, slowdowns and walkouts peaked in a governmental labor-management crisis during the past few years. Clearly the time is past when States and localities can close their eyes to this problem.

The most dramatic developments occurred in Hawaii and Pennsylvania where some public employees were given a limited right to strike. The Hawaii legislature authorized public employees to strike after other available procedures failed to resolve a deadlock; Pennsylvania legislation authorized employees other than policemen, firemen and mental hospital and court employees to strike if all impasse procedures have been exhausted. Other States adopting significant collective bargaining measures were Alaska, Idaho, Kansas, South Dakota and Vermont.

TOWARD BALANCED GROWTH

The need for government consciously to formulate policies for guiding future growth and development gained a toehold at the Federal level during 1970; and progress was made in several States.

Some of the provisions of the Commission's proposed Balanced Urbanization Policies and Planning Act to establish machinery for the development of a national urban growth policy were incorporated into the Housing and Urban Development Act of 1970, adopted
at the end of the 1970 session (P.L. 91-609). The 1970 Federal Highway Act amendments also recognized the need for a development strategy by authorizing construction of access roads to rural growth centers. The Senate Interior Committee held hearings on a proposed National Land Use Policy which would have provided grants to States to develop and implement statewide land use plans, but no floor action took place.

In the executive branch of the Federal establishment, the White House National Goals Research Staff report, Toward Balanced Growth: Quantity with Quality, explored growth and development goals and ways to approach them; task forces of the White House Domestic Council are working on the problem, and the newly created Commission on Population Growth and the American Future is expected to refine further policy objectives and outline possible programs.

There were positive achievements at the State level. The New Jersey legislature provided for State control over the use of coastal tidelands and the Maine Legislature empowered the State environmental control agency to veto proposed locations of commercial and industrial facilities. Colorado created a State Land Use Commission to recommend a statewide land use map and classification system and the Virginia General Assembly called for a study to lay the foundation for a State growth and development policy. Alabama, Georgia, North Carolina and Ohio, among others, strengthened their State planning capability. And the Federation of Rocky Mountain States – which is assisting its six members (Colorado, Idaho, Montana, New Mexico, Utah and Wyoming) with program strategies for transportation, new communities, urban development and housing – completed three background planning studies of primary importance to the growth and development of the region.

A beginning was made in 1970, but the surface barely has been scratched. The urgent need for coherent National and State growth policies is in no sense filled. Many Federal programs affecting growth patterns still pull and haul in opposite directions. And most States have yet to come to grips with their responsibility to find effective ways of guiding and directing the tremendous growth and development that is bound to occur over the next few years.

**CIVILIZING THE LOCAL JUNGLE**

Jurisdictional fragmentation has led to local government paralysis rather than to grass roots decision making. Continued proliferation of political units makes many metropolitan areas almost ungovernable and inherent fiscal disparities render effective local self support more difficult every year.

The remedy lies in a rational pattern of local governments with sufficient jurisdictional reach and revenue capacity to provide the public services that a complex, highly urbanized society requires. Whether counties can be rejuvenated to help meet this need or whether — and what kinds of — new regional structures may be required remains to be seen.

But central to any solution is a strong commitment on the part of the States to face up realistically to the complex and frustrating problems of local government.

In 1970, efforts to civilize the local government jungle met with limited success.

**Counties**

Considerable activity focused on strengthening county government. For example, a 1970 constitutional amendment in Colorado, among other things, provided for county structural home rule, authorized special taxing districts to finance services in a portion of a county and permitted the creation of multipurpose service authorities that cut across county lines. A Maryland amendment further eased the procedure for achieving county home rule and two more of its most populous counties switched to an elected county executive form of “full service” government. The electorate of Missouri authorized citizens of charter counties to determine the governmental services to be supplied by counties and localities in both incorporated and unincorporated areas. According to the National Association of Counties, 78 counties will be working on framing new charters in 1971.

City-county consolidation is another promising device for rationalizing local government structure. Two consolidations were accomplished in 1970 — Juneau City and Juneau Borough, Alaska, and Columbus and Muscocoe County, Georgia — bringing the total to ten consolidations since 1947. In another 18 areas, consolidation is being studied. This approach has become especially popular where migration to the suburbs leaves the central city with low-income and black families as well as largely white-owned investment in downtown real estate. The business community in these instances has been in the forefront of efforts to effect city-county consolidation.

**Regional Bodies**

Creation of regional or areawide mechanisms represents another kind of effort to minimize the chaos that characterizes local government balkanization. The Twin Cities, Minnesota Metropolitan Council stands out as the foremost example of a regional entity that not only coordinates but also performs “line functions.”
Regional councils of governments and areawide planning bodies are growing in number. About 25 councils of governments were established in 1970, bringing the national total to more than 220. However, few of them have operating responsibilities or functional authority. Even faster has been the growth of areawide planning bodies, stimulated by Federal and State “comprehensive” planning requirements. However, too few of them are truly comprehensive, and too many seem to be headed toward becoming a new type of special district with all the problems that entails.

Federal law now requires metropolitan or other substate clearinghouses to review grant applications. More than half of these review agencies are voluntary councils of governments, nearly a quarter are regional planning commissions and about 15 percent are county planning bodies.

Buying-In

Order cannot be brought to the local jungle without a strong State commitment which must take several forms. Some tasks — such as cleansing and monitoring the environment — are too broad in geographic scope for most localities to cope with; some require specialized manpower that is not available even at the regional level; many are too expensive for the localities to shoulder alone. To focus State resources on urban problems, most States have created cabinet-level community affairs agencies. And to meet specialized manpower needs, many States provide some technical assistance to localities.

To help ease the financial burden of localities, the Commission has urged States to “buy-in” to Federal-local grant programs — to put up a substantial portion of the matching money. This idea engendered much controversy, particularly during Congressional debate over the extension of the Safe Streets Act. The final compromise required the States to put up one-quarter of the local share beginning in mid-1972. About half the States were already “buying in” to Safe Streets, but not as much as one-quarter of the program.

However, the actual extent of State buying-in in other programs has not been fully known. A recently completed INTERGOV survey revealed that 34 States in 1969 provided $230 million matching money for 12 Federal-local grant programs — low rent public housing, urban renewal, urban planning assistance, model cities, urban mass transportation, airport development, community action, waste treatment facilities, air pollution control, juvenile delinquency prevention and control, solid waste disposal and aid for educationally deprived children. New York alone accounted for more than half of this amount — the northeastern States about three-quarters of it. However, Hawaii allocated the largest portion of its intergovernmental expenditures for buying-in — 16.4 percent. In dollar terms most of the buying-in money ($90 million) went to programs to improve the education of deprived children while urban planning aid ranks first in terms of the number of States participating.

NEW GRAIN FOR OLD MEASURES

How did 1970 measure up? For federalism it was a year of modest achievement. But as the new year begins there is some basis for cautious optimism. One thing is certain. During 1971 — more than at any time in recent years — debate and discussion of the Nation’s urgent domestic needs will focus not only on the nature and extent of the problems themselves but also on the adequacy of existing governmental institutions and structures to deal with them. A major reason for this broadening of focus is the Administration’s decision to place revenue sharing, block grants and welfare reform high on its domestic “most wanted” list. Whatever the reasons, this shift of focus implies a growing public awareness of the need for continuing reassessment of the constantly changing roles of the several elements of the American federal system.

More than sixty years ago, Woodrow Wilson observed:

“The question of the relation of the States to the Federal Government is the cardinal question of our constitutional system. *** It cannot, indeed, be settled by the opinion of any one generation, because it is a question of growth, and every successive stage of our political and economic development gives it a new aspect, makes it a new question. The general lines of definition which were to run between the powers granted to Congress and the powers reserved to the States the makers of the Constitution were able to draw with their characteristic foresight and lucidity; but the subject-matter of that definition is constantly changing, for it is the life of the Nation itself. *** The old measures of the Constitution are every day to be filled with new grain as the varying crop of circumstances comes to maturity.”

During 1971, the search will continue for the “new grain” with which to fill the old measures of the Constitution.
Chapter 2

ACTION ON COMMISSION RECOMMENDATIONS

Recommendations accomplish little sitting passively on library shelves. Therefore, the Commission devotes a major—and growing—proportion of time and resources to encouraging implementation of the recommendations it makes to the legislative and executive branches of Federal, State and local government. To facilitate action, the Commission staff translates policy positions and recommendations into draft bills for legislative consideration and draft administrative directives for executive consideration.

Recent Federal and State action on INTERGOV recommendations are summarized here.

NATIONAL GOVERNMENT

ACIR recommendations to the National Government for legislative action usually are introduced in Congress by House and Senate members on the Commission. The Commission then follows up by working closely with the Subcommittees on Intergovernmental Relations of the Government Operations Committees and other relevant congressional committees. On administrative proposals affecting intergovernmental relations, the Commission cooperates fully with the Executive Office of the President, and with Federal department and agency officials.

FEDERAL LEGISLATION ENACTED

Uniform Relocation Assistance. The President signed the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646) in January 1971—six years to the month after the Commission first called for a uniform policy of relocation payments and advisory assistance for persons displaced by Federal and federally aided programs (Relocation: Unequal Treatment of People and Business Displaced by Government, January 1965).

The Act provides for reimbursement of actual reasonable expenses of moving and of tangible losses, or up to $300 for moving expenses for a family and between $2,500 and $10,000 for a business. Heads of Federal agencies are directed to set up a relocation advisory service in each area where displacement is contemplated.

The Commission's recommendation called on Congress to require State and local governments administering Federal grant programs to assure the availability of standard housing before proceeding with property acquisition that displaces people. The Act goes even further by authorizing up to $15,000 to assure a comparable replacement dwelling, in addition to actual moving expenses and tangible losses. It authorizes the Federal agency, as a last resort, to provide money to build suitable housing if none is available.

In its Relocation report, the Commission called for Federal assumption of the full cost of payments for relocating a family and up to $25,000 for the cost of relocating a business. The Act provides full Federal reimbursement only until July 1, 1972, after which the States or local governments will have to assume the cost.

To assure that a truly uniform policy would result, the Commission had stressed the need for a central authority to develop the regulations. The Act leaves the regulations up to each Federal agency, but directs the agency heads to consult on their development. However, in signing the Act, the President created an inter-agency task group to work out the regulations under the guidance of the Office of Management and Budget.

In all major respects, the Commission's relocation proposals directed to the National Government have been implemented by law or administrative action.

National Urban Growth Policy. Title VII of the Housing and Urban Development Act of 1970 (PL 91-609) incorporates several essential elements of ACIR's proposed Balanced Urbanization Policy and Planning Act by directing the President to submit to Congress detailed reports on the state of urban growth in the Nation. The Commission bill also would have provided for planning coordination, which is not included in the housing act. However, Title VII of the Act also
expands Federal aid to new communities, another Commission suggestion.

The urban growth policy section calls for biennial reports — beginning in February 1972 — that include assessment of Federal, State and local policies affecting urban growth; analyses of future needs resulting from urbanization and steps being taken to meet these needs; and recommendations for programs to carry out a national growth policy. The Commission recommended development of comprehensive national urban growth policies in its 1968 report, Urban and Rural America: Policies for Future Growth, which documented the influence of government programs on urban growth.

In its Urban and Rural America report, the Commission urged consideration by national policymakers of various approaches to new community development, many of which are incorporated in the new legislation. Title VII of the 1970 housing act declares that new communities must be established to meet the estimated 75 million increase in the Nation’s population by the year 2000. It provides a variety of financial assistance to new communities, including Federal guarantee of bonds, planning grants to new community developers, loans to new community developers to help them meet interest payments, and supplementary grants to States and localities to build public facilities in support of new communities.

Omnibus Crime Control Act. The Omnibus Crime Control Act of 1970 (PL 91-644) extended the life of the pioneering 1968 Omnibus Crime Control and Safe Streets Act, which for the first time provided substantial Federal aid for improving State and local criminal justice systems. It channeled funds through the States on a broad program basis (block grants) to stimulate comprehensiveness, and foster coordination, and provide for great local flexibility. The States were required to pass through a substantial portion of their funds to their localities, first for planning, then for action. At the Federal level, the Act was administered by a three-member Law Enforcement Assistance Administration (LEAA) in the Justice Department.

The program was highly controversial. To aid in congressional deliberations over the new authorizing legislation, the Commission studied the intergovernmental friction points in implementing the Act and made seven recommendations in its September 1970 report, Making the Safe Streets Act Work: An Intergovernmental Challenge.

A major complaint against the initial operations under the Act was that States were spending most of the money on law enforcement and very little on courts and, particularly, corrections. The Commission recognized the shortcoming but considered the block grant so important a device “for achieving cooperation and coordination of criminal justice efforts,” that it urged retention of the block grant intact. However, to assure targeting of funds on areas that need it most, the Commission suggested an amendment that LEAA approve no State comprehensive law enforcement plan unless LEAA finds the plan provides for an allocation of an adequate share of assistance to deal with law enforcement problems in areas of high crime incidence. This was incorporated in the 1970 legislation which kept the block grant in word, but modified it in effect by earmarking 20 percent of the action funds for corrections. The 1970 Act requires that a separate part of the comprehensive plan deal with corrections, and that applications must “provide satisfactory emphasis on the development and operation of community-based correctional facilities and programs.” On the other hand, the Act increased the Federal share of certain action grants from 60 to 75 percent.

The 1970 Act requires States to put up 25 percent of the non-Federal share. While the Commission launched the idea of State buying in to help finance local programs, it did not recommend that buying in be required in the Omnibus Crime Control Act because more than half the States already were buying in to some extent and the Commission believed that such a requirement would dilute the block grant concept.

The Commission found that experience with the troika arrangement for LEAA was unsatisfactory because of the unanimity required for exercising its powers and duties. ACIR recommended that one of the three administrators be designated as responsible for administering the Act. This suggestion was incorporated in the legislation which vested in one administrator basic administrative powers, including appointment and supervision of personnel, and provided that other functions require concurrence of only one associate administrator, rather than unanimous agreement under the 1967 measure.

Intergovernmental Personnel. In 1966, the Commission went on record in favor of an act that would assure enough well-trained, well-qualified personnel to enable the States and localities to meet all their responsibilities in the federal system.

The Intergovernmental Personnel Act of 1970 (PL 91-648) is such an act. It provides for block grants to State and local governments for improving personnel administration and training programs, and sets up an intergovernmental personnel exchange program.

The U. S. Civil Service Commission will administer the Act, which is given an open-ended authorization for the first three years. The Civil Service Commission is expected to ask for $15 million for fiscal 1972.
The provisions for personnel administration and training allot 80 percent of the funds to States according to population and number of State and local employees. The remaining 20 percent remains with the Civil Service Commission for discretionary project grants. The Federal Government will put up 75 percent of the cost of the programs for the first three years, and 50 percent thereafter.

States that set up a comprehensive and coordinated intergovernmental program for upgrading personnel administration and for training administrative, professional and technical (APT) personnel at both State and local levels will get the full grants. General local governments, singly or in combination with at least 50,000 population, may apply directly for grants if the State has not made adequate provision for them. In any case, the governor has the opportunity to review applications, and may hold up local applications for 90 days if the State is in the process of developing a comprehensive personnel development plan.

The personnel interchange program enables APT employees to work at another level of government for two years without losing any benefits. It provides salary supplementation and other aid to facilitate assignments.

The Act also sets up an intergovernmental advisory council composed of representatives of all levels of government to develop coordinated personnel improvement policies.

Legislation Introduced: Not Enacted

Several Commission recommendations were contained in the following bills which were still pending in the 91st Congress when it ended.

Intergovernmental Cooperation Act of 1969 (H.R. 7366 — Congressman Fountain, Congresswoman Dwyer, et.al. and S. 2479 — Senator Muskie). This measure was designed to build on the Intergovernmental Cooperation Act of 1968 by further improving and simplifying the management of Federal assistance programs. Among the principal features of the bill were provisions to:

- Speed the consolidation of various categorical grants by authorizing the President to submit consolidation plans to Congress which would go into effect if not vetoed within 90 days.
- Facilitate the “packaging” of various aid programs by establishing, among other things, a single joint management fund for each combined project.
- Strengthen the procedures for congressional review of grant-in-aid programs established by Title VI of the Intergovernmental Cooperation Act of 1968.
- Require Federal agencies that administer grant programs to rely, to the extent possible, on the internal or independent accounting and auditing performed by State and local governments and to accept the audits of recipient jurisdictions whose financial management systems meet acceptable standards.

In January 1970, the Senate Intergovernmental Relations Subcommittee reported to the Committee on Government Operations an amended version of S. 2479, including all its titles. The House Subcommittee on Intergovernmental Relations, after holding hearings on H.R. 7366, reported a committee substitute — the Intergovernmental Act of 1970 (H.R. 19933) in December 1970. No further action occurred in either house.

These measures would have implemented many of the Commission’s recommendations in Fiscal Balance in the American Federal System (October 1967) and one basic proposal advanced in the earlier ACIR report on Periodic Congressional Reassessment of Federal Grants-in-Aid to State and Local Governments (June 1961).

Intergovernmental Revenue Act of 1969 (S.2483 — Senators Muskie and Goodell and HR 13353 — Congressman Roth). This measure combines revenue sharing with income tax credits to strengthen the fiscal independence of State and local governments and provide them incentives to widen their tax base. Its major provisions would:

- Set aside a designated percentage of Federal personal income tax revenue for no expenditure strings sharing with State and local governments, allocations to be made on a per capita basis adjusted for tax effort with an assured share for major cities and counties.
- Provide taxpayers with a partial credit against their Federal income tax liability for State and local income taxes to stimulate the use of State income taxes.
- Authorize the U. S. Treasury to collect State personal income taxes for States under terms mutually agreeable to the Secretary of the Treasury and the individual States.
- Enlarge and restructure the Federal tax credit for State death tax payments provided a State adopts an "estate-type" tax and increases its death tax rates so as to capture an amount equivalent to the enlarged Federal credit.
- Permit States and their localities to tax the personal property of private individuals located in enclaves under exclusive Federal jurisdiction, provided a designated Federal agency certifies that all persons residing in such Federal enclaves enjoy the same rights and privileges accorded to residents of the State.

Hearings on S. 2483 were held by the Senate Subcommittee on Intergovernmental Relations, but no further action was taken in the Senate. The House counterpart (H.R. 13353) was referred to the Ways and Means Committee which did not hold hearings on the bill.
The Interstate Taxation Act (S.2804, Magnuson et al.) would have granted Congressional consent to the “Multistate Tax Compact,” which is designed to foster consistency in State tax treatment of interstate firms. Interstate firms doing business in States which have enacted the compact now have the option of using a three-factor formula (property, payroll and sales) proposed by the National Commission on Uniform State Laws. The bill would have required all States to offer the same option beginning July 1, 1971, whether or not the State has joined the compact.

This proposed legislation would have carried out proposals adopted by the Commission in 1966 to reconcile two competing national objectives — the need to minimize State impediments to the free flow of interstate commerce while maximizing State discretion in tax policy matters. The bill was referred to the Committee on Finance. Hearings were not held.

Amendments to the Elementary and Secondary Education Act (H.R. 514 Perkins; and S. 2451, Pell) contemplated consolidation of several separate Federal categorical aids for education. The consolidations would have implemented a recommendation in Fiscal Balance in the American Federal System, which noted that the rapid expansion in the number of grants has contributed to functional fragmentation of State and local governments. The pooling of separate grants for the administration of two or more educational programs into a consolidated grant would have allowed the States greater flexibility and simplicity in administering education grants. H.R. 514 was passed as PL 91-230, but did not include the consolidation provisions.

**STATE GOVERNMENT**

Commission recommendations for State action are translated into draft bills and proposed constitutional amendments which constitute ACIR’s “State Legislative Program.” These proposals have been made available in separate “slip bill” form, as well as in cumulative editions and “New Proposals” for particular years. They are brought to the attention of key legislative and executive officials of all the States, as well as other interstate groups and individuals. The 1970 Cumulative ACIR State Legislative Program, published in late 1969, was supplemented in 1970 by New Proposals for 1971: ACIR State Legislative Program.

Following are highlights of some representative State legislative and constitutional actions during 1970 which implement Commission recommendations.

**Unshackling Local Government.** Colorado voters approved a constitutional amendment that permits the creation of multi-purpose metropolitan service districts across county lines. The amendment also broadens the possibilities of cooperative and contractual arrangements among local governments, permits structural reorganization of counties and extends home rule to towns with less than 2,500 population and those that have been incorporated for at least five years. A Texas constitutional amendment authorizes intergovernmental contracts between political subdivisions within a county. The Kentucky legislature passed an act permitting counties containing cities with a population of 20,000 – 100,000 to form a consolidated city-county government by petition and referendum, and Vermont authorized the formation of union municipal districts by two or more municipalities.

**Strengthening Legislative and Executive Branches.** Constitutional amendments providing for annual legislative sessions were approved in Connecticut, Illinois, Indiana, Missouri, Nebraska and Virginia. In addition, a West Virginia amendment changed the even-year budget session to a regular session. Pennsylvania and West Virginia both changed their constitutions to permit the governor to succeed himself.

A constitutional amendment approved in Kansas permits the governor to submit executive reorganization plans which will go into effect unless vetoed by either House of the legislature. Similar amendments were approved in North Carolina and Maryland.

**Public Labor-Management Relations.** Comprehensive public labor-management relations laws were enacted in Hawaii and Pennsylvania, and the right of public employees to organize and belong to employee organizations was recognized by law in South Dakota.

**Highway-User Charges for Mass Transit.** In its 1969 report on State Aid to Local Government, the Commission recommended that State constitutional and statutory provisions be amended to allow flexibility to apply highway-user funds to broad transportation uses in order that they may achieve a balance between highways and other modes of transportation. In 1970, Maryland established a comprehensive Transportation Trust Fund to be supported by revenues from highway-user charges, motor vehicle fees, and other specified services. The fund will be used to finance such various transportation facilities as highways, ports, airports, and mass transit. The Virginia legislature empowered the Highway Commission to use highway revenues for mass transit, and Hawaii authorized the use of county highway taxes for mass transit.

**Property Tax Assessment.** New York passed an Assessment Improvement Law which provides for
training and certification of local assessors, a county real property tax service agency and expanded State service to counties, cities and towns. Maine also established a program for certification of assessors, and a Wisconsin act granted counties the option to adopt uniform systems of property assessment.

In addition to those highlighted above, other State enactments include: property tax relief in Kansas; significant strengthening of State and regional planning in Alabama, Ohio and North Carolina; improved annexation laws in Georgia and Michigan; State assumption of local welfare costs in Virginia; uniform relocation assistance in Hawaii; State collection of local sales tax in Missouri; and provisions for areawide mass transit facilities in Colorado (Denver area).
Chapter 3
THE WORK OF THE YEAR IN REVIEW

During 1970, the Commission continued its traditional role of investigating specific points of conflict and tension in the federal system and making recommendations to alleviate them. To increase implementation of its recommendations, INTERGOV expanded and broadened its information services.

The Commission met four times during the year, three times in Washington, D.C., and once at the Western White House in San Clemente, California. It adopted two policy reports, chose two new topics for study, published three major information reports, several background papers and staff analyses, and established several new information services.

POLICY DEVELOPMENT

NEW REPORTS

The policy reports approved and published during the year deal with Federal aid to State and local capital financing and the intergovernmental challenges presented by the Omnibus Crime Control and Safe Streets Act of 1968.

Capital Facilities Financing

States and localities spent about $20 billion for capital facilities in 1965; they were expected to spend about $30 billion in 1970; and will probably be spending at the rate of $40 billion a year by 1975. As much as two-thirds of the cost of these projects is financed by tax-exempt bonds and Federal aid, but a tight money policy to control inflation has sent interest rates on tax-exempt bonds skyrocketing and the flow of Federal aid appropriations grows more uncertain every year. States have stronger financing capacity than their localities, but many have been reluctant to buy into community construction projects.

In the report, Federal Approaches to Aid State and Local Capital Financing, the Commission probed these three dilemmas and made eight recommendations to resolve them.

First, it is necessary to reduce and stabilize the cost of borrowing. One cause of spiraling interest rates was the uncertainty over the tax-exempt status of State and local bonds brought about by proposals to remove it. In the end, the Tax Reform Act of 1969 reaffirmed the status, but not before considerable damage was done to the market. Therefore, the Commission prefaced its three recommendations on reducing and stabilizing the cost of borrowing with a vigorous expression of its "unalterable opposition to all efforts to tamper with the tax-exempt market" and called on the Federal Government to make its "non-intervention policy" clear to the investment community.

Inflation was another major contributor to the plight of fixed-income securities like municipal bonds. The Commission called for a strong anti-inflationary policy, as a necessary first step to restore investor confidence in all fixed-income securities and to increase the flow of savings to the Nation's long-term credit markets.

Inflation and high interest rates aside, the States and localities are finding it necessary to incur increasingly greater debt. One reason for this is the "installment payment" plan of Federal debt service grants. Initially, the debt service grant procedure was a benefit to States and localities because it stretched the Federal-aid dollar and, in effect, provided a Federal guarantee, but this procedure is now causing an additional load to an already overburdened State and local bond market. The Commission recommended that Congress favor the lump sum payment approach as the instrument for financing future Federal-aid commitments.

States and localities need broader access to capital financing. Therefore, the Commission recommended as a pilot operation, the establishment of a federally subsidized authority to lend funds to those jurisdictions that are unable to borrow, at reasonable rates, the necessary money to cover their share of environmental control projects. This authority, would, in effect, buy and hold the local bonds and finance the holdings by selling its own bonds in the taxable market. It would supplement, not supplant, the primary tax-exempt bond market.
The second major problem area is Federal aid uncertainty, which is manifested through late appropriations action in Congress, Federal aid cutbacks as a countercyclical measure, and the growing gaps between authorizations and appropriations.

The Commission recognized that a national dilemma exists between the demand by State and local governments for assured distribution of Federal planning and construction grants and the need for budgetary flexibility by the fiscal generalists – the President and Congressional appropriations committees – to adjust spending levels on a timely basis according to overall fiscal and social objectives. Three Commission recommendations attempt to strike a balance between the conflicting objectives. To combat tardiness, the Commission recommended that Congress adopt a rigorous timetable for dealing with authorizations and their appropriations. One example cited would be to establish a cutoff date after which specific pending legislation would be removed from a substantive committee and given to the appropriations committee for action.

Instead of Federal aid cutbacks to counter national monetary cycles, the Commission called for voluntary State procedures to cutback or accelerate capital expenditures in accordance with priorities established by the President in cooperation with the governors.

To make Federal aid more certain but to avoid the rigidities that frequently accompany long-term financing that is written into substantive legislation, the Commission suggested a multi-year advance budget plan. The President would include a specific multi-year plan for certain Federal aid programs in his annual budget request and Congress would provide advance obligatory authority in appropriations acts.

Finally, the Commission made two recommendations for encouraging more State financial participation in local programs to increase the number of dollars available to fight urban problems and to eliminate the bypass of State authority inherent in Federal-local aid projects. The Commission acknowledged that State involvement in solving urban problems is growing and more State money is flowing into local program areas. More is needed for a real impact. The Commission suggests that the Federal Government could encourage greater participation if it would: make a firm legal commitment, with certain limitations, to reimburse States and localities for sums advanced to pay the Federal share of local project costs; and provide financial incentives for States to buy into Federally aided community development projects.

**Safe Streets**

The Omnibus Crime Control and Safe Streets Act of 1968 established the first comprehensive Federal grant program for assisting State and local law enforcement and criminal justice administration. It did so primarily through block grants to the States with a required "pass through" to localities. Federal responsibilities were to be handled by a three-member Law Enforcement Assistance Administration rather than a single director.

Each of these points has stimulated debate and controversy, which has wracked the Act at every step of its implementation.

Because of the intergovernmental implications, the Commission decided to include the Act as a major part of a comprehensive investigation of intergovernmental relations in the Nation's criminal justice system. The study now is nearing completion. But because Congress was due to consider extending the Act's initial two-year authorization in mid-1970, the Commission decided to consider this portion of the study early, and publish it separately in order to make ACIR findings and recommendations available on a timely basis.

The most controversial and crucial issue was the desirability of block grants, channeling Federal funds through the States on a broad program basis, rather than direct Federal grants to States and localities on a project-by-project basis. In its report, *Making the Safe Streets Act Work: An Intergovernmental Challenge,* the Commission unanimously urged retention of the block grant approach, which it stated, "represents a significant device for achieving greater cooperation and coordination of criminal justice efforts between the States and their political subdivisions." The Commission noted some gaps in State performance and suggested that States make further improvements in their operations under the Act. In the legislation to extend the program, Congress retained the block grant approach, but modified it by earmarking certain funds for corrections.

The program is administered in each State through a State planning agency, which, in turn, operates under the direction of a supervisory board of elected and appointed State and local officials and citizens-at-large. Criticism has been leveled that these boards are functionally oriented and inadequately representative of elected local policymakers and the people. This is due in part to Federal guidelines which specify eight categories of officials that must be represented on the boards. The Commission recommended no change in the composition of the boards, or in the guidelines.

Forty-five States use regional bodies to help administer the Act at the substate level. There have been charges that the regions are State-imposed entities which do not represent their constituent local governments and are not responsive to them. But there are no reliable figures or documentation on the composition of these
bodies or their responsiveness to the needs of their areas. The Commission recommended that States retain and strengthen these regional entities.

Critics of the block grant approach usually claim that the States are not distributing sufficient funds to high crime areas. The Commission recommended that no change be made in the Act to earmark additional money to high crime areas, but did call for an amendment “providing that no State comprehensive law enforcement plan shall be approved unless the Federal Law Enforcement Assistance Administration finds that the plan provides for the allocation of an adequate share of assistance to deal with law enforcement problems in areas of high crime incidence.” The final Congressional compromise incorporated this point.

A major intent of the 1968 law was to stimulate a comprehensive approach to law enforcement and criminal justice. But early implementation of the program focused primarily on the former. The Commission noted that the Safe Streets program was still in its early stages and that there was little time to gear up for a truly comprehensive approach. The law enforcement interests were organized and able to get the funds and use them immediately. The Commission, in its recommendation, urged “that State comprehensive law enforcement plans should give greater attention to improving all components of the criminal justice system.” But it recommended no change in the Act to encourage greater comprehensiveness because “modifications of this type would constitute an infringement on State and local discretion under the block grant approach contained in the Act.”

The Act places a ceiling on grant funds for personnel compensation. There have been complaints that this hampers State and local efforts. The Commission therefore recommended that the LEAA be authorized to waive the ceiling in certain circumstances.

The Commission made no recommendation regarding mandatory State “buying in,” under which a State would be required to put up its own money to cover part of the non-Federal share of local program costs. The Commission has a long-standing general policy favoring buying in, but it chose to leave out such a recommendation because about half the States already are buying in to some extent, and because it was believed that such a requirement would dilute the concept of the comprehensive block grant approach. Many Commission members expressed the hope that all the States would follow this policy in their administration of the Safe Streets Act. However, the 1970 legislation required States to put up at least one-quarter of the local share.

Some of the controversy over the Act has centered on the Federal administration of it — that a three-headed organization hinders expeditious decision-making and is not conducive to pinpointing responsibility. The Commission recommended that Congress amend the Act to establish the position of Director of Law Enforcement and Criminal Justice Assistance to be responsible for administering the Act. He would be one of the three-member LEAA, appointed by the President and acting under the general authority of the Attorney General. Congress adopted a somewhat similar approach in its new legislation.

WORK IN PROGRESS

Work continued throughout the year on the State-local aspects of the criminal justice study. In addition, the Commission decided to undertake two new studies: intergovernmental fiscal relations in Canada; and regionalism in the United States, multistate and substate. Staff work has commenced on both projects.

Criminal Justice

The criminal justice system in America is not monolithic, or even consistent. It was not built at one time or on one design, but is an accumulation of layers upon layers of institutions and procedures, inspired by principle or added for expediency. The functional components are highly interdependent, but they operate autonomously, frequently in isolation. The firing line is at the local level, but State constitutions and statutes control the scope of local powers. Responsibilities vary from State to State and department to department.

Because of the separation of powers along executive-judicial lines, and the differing responsibilities along State-local lines, there is no single agency that can formally coordinate the system. Yet, modern society demands a coherent and comprehensive criminal justice system. In this study, the Commission is looking into the four major components of the criminal justice system — police, prosecution, courts and corrections — to analyze the functional and intergovernmental relations with an eye toward recommending approaches to achieve greater coherence and effectiveness. The study examines the role of the public in the court system and the problem of interfunctional coordination.

Fiscal Relations in Canada

Canada has a federal form of government similar in principle to the U.S. Although its structure differs from ours, it faces many of the same problems of revenue raising and financial administration. It has developed some new and innovative solutions. In the past, the Commission has studied individual Canadian programs for their relevance to U.S. problems. It now undertakes a more systematic analysis of Canada’s intergovern-
mental fiscal relations to determine which Canadian solutions might be relevant to our federal system.

Dominion-provincial-local relations are, in many respects, similar to Federal-State-local relations. Local government in Canada is financed largely by the property tax. Provincial-local distribution of functional responsibility and of revenue raising powers vary among the ten provinces. There is also variation in the extent and manner in which provincial governments are involved in urban affairs.

Canada is grappling with these problems. The dominion provides unconditional aid to provincial and local governments and has a system of tax credits. A regional development act provides subsidies and tax breaks to guide economic development in accord with a national urbanization policy. And one province — New Brunswick — has assumed full financial responsibility for all the “human services” — health, welfare, justice, and public elementary and secondary education.

The Commission is looking primarily at Canadian solutions to the mismatch of resources available to the three governmental levels, regional inequality of health and welfare services, and — at the local level — inequitable distribution of property tax resources. It is looking at overall trends in Dominion-Provincial fiscal relations such as income tax sharing, equalization grants, conditional grants and formal and informal arrangements for cooperation. It is probing national issues relating to public welfare and health such as uniformity of benefits, expenditure burdens among the provinces and the extent to which the national government dictates basic policy. And it is asking some searching questions about provincial action: How are the Canadian provinces dealing with the major property tax problems? How are the Canadian provinces dealing with the problem of disparities between local fiscal needs and resources? And how are the Canadian provinces dealing generally with urban problems?

First hand information was gained for the study by staff field trips to Ottawa and New Brunswick. The Commission is expected to begin consideration of the draft report in the spring.

Regionalism

Growth and development, urbanization and industrialization have stimulated the creation of regional bodies to supplement the traditional Federal-State-local divisions in our federal system. The new entities — both interstate and substate — are designed to facilitate comprehensive planning and programming at the most appropriate levels. But are they living up to their design? Or is their proliferation contributing to fragmentation and hindering regional cooperation? What is their impact on the traditional units of general government: the State, the county, and the city?

These are some of the questions to be probed in the Commission’s new project, a study of regionalism in two parts — interstate and substate.

Interstate Regionalism. Interstate collaborative efforts involving more than one State but fewer than the Nation have existed as long as the Republic. But most early efforts were boundary commissions or river basin compacts. The new focus is on economic development and planning, typified by the Appalachian Regional Commission and the five commissions established under the Economic Development Act of 1965. The Commission will evaluate the role of these regional commissions as well as water resource bodies and regional compact agencies devoted to planning and economic development. It will assess their intergovernmental dimensions and possible role under proposed national urban growth policies.

To be given special attention are interstate mechanisms in metropolitan areas. In addition to the interstate questions, these bodies must deal with a range of urban-suburban and local-areawide problems that confront nearly all urban areas.

Substate Regionalism. Substate regional bodies are proliferating. Federal programs encourage their formation to meet specific Federal objectives such as metropolitan planning (HUD), resource conservation and development (USDA), community action (OEO), cooperative area manpower planning (Labor), comprehensive health planning (HEW), and law enforcement planning (Justice). States are creating regions for their own development and administrative purposes. And localities are establishing them by mutual consent to carry out areawide tasks.

The last decade has witnessed substantial experimentation with these agencies. But problems arise as to their actual utility.

Federal legislation generally envisions substate bodies as comprehensive planning and administrative units, but implementation of the legislation often has resulted in functional agencies. This has been especially true in the comprehensive health planning program, which requires a high degree of specialization in its regional bodies. The Commission is asking whether, indeed, a new kind of special district has been created — one that is even less constructive and accountable than the old type of special district.

The substate regions frequently have been created without any reference to other districts. There are attempts at coordination at each level of government, through the Intergovernmental Cooperation Act of 1968, Office of Management and Budget Circulars A-80,
A-82 and A-95 at the Federal level; and through formal requirement and informal arrangement at State and local levels. The Commission will look intensively at the procedures for coordination, to evaluate the attempts so far and make suggestions for future efforts.

Perhaps the overriding question surrounding the substate regions is their impact on units of general government. The Commission will look at the role of the county in relation to these bodies: are they the result of the role of the State in the evolution of these bodies, levels. The Commission will look intensively at the issues, and widely-distributed flyers announcing new government be substituted for the three traditional levels of government, the States are not take policy stands; through background papers and weak county government? Could revamped county state regional bodies. The commission is investigating the role of the State in the evolution of these bodies, and their impact on State government.

**INFORMATION SERVICES**

The Commission in the seventies is giving greater emphasis to implementation of its recommendations. As a first step, in 1970, INTERGOV expanded its information services to target relevant information at the appropriate audiences. To aid in this endeavor, an Information Officer was added to the Commission staff. New efforts were made to increase the readability and attractiveness of Commission publications.

During 1970, the types of information services were broadened to provide a range from major information reports that consume considerable staff effort and make a significant contribution to the literature, but do not take policy stands; through background papers and staff analyses, which take less effort but still are substantial documents; to popularized four-page summaries of ACIR findings and recommendations on significant issues, and widely-distributed flyers announcing new publications. The Information Bulletin series was revised to provide interpretive treatment of current issues. And a new Information Interchange Service was established to permit a transmittal and feedback service.

**INFORMATION REPORTS**

The Commission published four major Information Reports during 1970: on revenue sharing; on measuring fiscal effort and capacity of State and local government; the annual volume of significant features of State and local government finances; and the annual State Legislative Program.

**Revenue Sharing**

The Commission has been on record urging the adoption of Federal revenue sharing since 1967. But because of keen public interest in the subject at this time, the Commission felt there was need for a popularized document restating the case for revenue sharing in clear, precise terms. Revenue sharing stands out as the most direct and the most effective method to redress the fiscal power imbalance caused by both the growing revenue raising superiority of the National Government and the lopsided and increasing Federal reliance on conditional aids. The Commission sees it as the next logical step in our federal system of shared powers, but others raise objections to its adoption. The information report, *Revenue Sharing – An Idea Whose Time Has Come,* identifies eight major challenges to revenue sharing, and undertakes to refute them one-by-one.

The essence of revenue sharing is for the National Government to share a designated portion of the Federal personal income tax revenue with State and local governments on a no-expenditure-strings basis. The personal income tax is the country’s prime source of revenue. It is also the most responsive to economic growth — for every 10 percent of growth in the National economy, income tax receipts automatically jump about 15 percent. The Federal Government collects 90 percent of the personal income tax in the Nation and can thus rely on automatic rises in revenue to meet most of its expenditure demands. But the States and local governments must rely on far less responsive taxes to meet greater expenditure demands.

In addition to tapping this power source, revenue sharing is versatile. Because there would be no expenditure strings, each State or locality could use the money to meet its own most pressing needs. Revenue sharing would serve federalism by helping to create a fiscal environment that will stimulate strong and responsible government at each level.

One objection to revenue sharing refuted by the report is the often voiced assertion that the level that spends the money should also raise it. That has not been the case for a century or more. Federal aid now provides about one-fifth of all State-local revenues. And State aid now accounts for about one-third of local revenues.

Another challenge is the expressed fear that revenue sharing would undermine the specific categorical grant programs that Congress has adopted over the years to meet specific National problems. It is politically unrealistic to believe that the favorite programs of influential Congressmen — each with its own watchful coterie of bureaucrats and interest groups — would suffer from a small, general support program like revenue sharing.

The report answers other contentions: that there are more pressing national priorities, that State-local revenue systems are not exhausted; that revenue sharing would increase State and local dependency on the Federal Government; that States and local governments
should first put their own houses in order; that revenue sharing would reduce Federal budgetary flexibility; and that a Federal tax cut would obviate the need for revenue sharing.

Revenue sharing is no panacea, the report stresses, but one major component of the Commission's package to rearrange financing responsibilities among Federal, State and local governments. The package includes Federal takeover of welfare costs, State takeover of education expenditures, overhaul of State tax systems to make them more productive and substantial consolidation and reorganization of the Federal categorical grant education expenditures, overhaul of State tax systems to make it more manageable.

Federal revenue sharing does have a chance. It is favored by the American people (71 percent think it's a good idea, according to a recent Gallup poll). It is given top priority by State and local government officials who agree on how to share the funds. It is a high item on the Nixon Administration's legislative agenda. And more than 30 percent of the membership of Congress introduced or co-sponsored revenue sharing bills. The revenue sharing report was published in December.

**Fiscal Capacity and Effort**

Most revenue sharing proposals would base the allocation of this otherwise no-strings money partly on the effort made by States and localities to carry their own financial burdens. In fact, the examination of revenue effort appears to be a new trend in both Federal and State aid policies.

The present yardstick used to measure fiscal effort is personal income of residents, a gauge that is standard and easy to obtain each year. However, there are indications that this is not the most accurate or the fairest measure of an area's ability or need — and the smaller the area, the less accurate the gauge. In *Measuring the Fiscal Capacity and Effort of State and Local Areas*, the Commission attempted to build a more comprehensive yardstick that covered most tax and non-tax revenue sources.

The use of personal income as a measure is predicated upon the belief that the income of residents serves as a fairly good proxy for governmental revenue raising ability. The information report found, however, that in 24 States personal income and governmental revenue raising capacity differ by at least 10 percent. In fact, the report shows that personal income under-indicates Wyoming's revenue capacity by 37 percent, Nevada's by 31 percent, and Louisiana's by 24 percent. On the other hand, personal income over-indicates Pennsylvania's revenue capacity by 16 percent, Rhode Island's by 15 percent and Connecticut's and Massachusetts' by 14 percent.

The Commission study used the capacity figures to determine relative fiscal effort. It showed in 39 States a disparity of greater than 3 percent between effort based on income of residents and effort based on the report's measurements. The information report documented, for instance, that personal income over-indicates Wyoming's revenue effort by 48 percent, Nevada's by 39 percent and Louisiana's by 20 percent; and it under-indicates Alabama's effort by 16 percent, and Delaware's and South Carolina's by 9 percent.

The information report builds upon an earlier Commission study, which measured fiscal capacity and effort of 50 State-local fiscal systems in 1962. The present report covered the 50 States, plus 747 counties and 218 SMSA's for the fiscal year 1967. In the smaller areas, the findings showed disparities between personal income and fiscal capacity and effort increased as geographic area decreased.

The report approached the problem from the standpoint of financing capabilities of governments, not the economic well-being of people. It defined fiscal capacity as the ability of government to obtain resources for public purposes — their potential reach in getting revenue. Fiscal effort was defined as the extent to which these governments use that capacity — how far they are reaching. The sources of revenue computed included tax revenue, fees and charges collected in connection with governmental services (such as tuition fees at colleges, charges at public hospitals), interest earnings on government financial assets, and miscellaneous non-tax revenue, the money obtained by operating commercial undertakings (such as State liquor stores or public utilities). In fiscal 1967, the total amounted to $77.6 billion — $61 billion of it in State and local tax revenues.

**State and Local Finances**

Every year, the Commission publishes an updated compendium of the significant features of State and local finances and the changes that are taking place. Every year it has gotten more comprehensive.

The 1971 edition, *State-Local Finances and Suggested Legislation*, features a new section on State aid to local government, with information on State arrangements for sharing revenue with local governments on a no-strings basis. It also includes tables on fiscal capacity and effort developed in the fiscal capacity study.

The volume has a narrative account of the characteristics of a high quality State tax structure and presents suggested legislation to achieve it, through modernized and reformed property, income and sales taxes.
The bulk of the document is devoted to more than 100 comparative tables covering revenue, expenditure, and debt policies of State and local government. These tables — again expanded this year — have made this report a major reference work for State and local tax administrators and fiscal committees of the State legislatures as well as policy advisors to governors and mayors — and the media commentators on government operations.

**BACKGROUND PAPERS AND STAFF ANALYSES**

An initial step in broadening the information services of the Commission was taken in late 1969, when INTERGOV approved a new series of publications — background papers and staff analyses. These brief reports are undertaken at Commission direction or on staff initiative to explore the facts that underlie current intergovernmental issues. Like information reports, they carry no policy recommendations. They are less formal than information reports, describing problems rather than probing them deeply.

The first background paper — *The Commuter and the Municipal Income Tax* — was approved by the Commission in December 1969. It was published in the spring of 1970. Other papers of this nature, published in 1970, include a staff analysis of the gap between Federal aid authorizations and appropriations and a two-part package on State buying into Federal aid to local governments.

**Authorizations-Appropriations Gap**

The gap between funds “promised” to State and local governments in Federal aid program legislation and the actual money appropriated by Congress has widened dramatically over the past five years. The staff of the Commission in cooperation with the Council of State Governments analyzed 169 programs with fixed dollar authorizations and found that Federal aid appropriations fell from about 80 percent of authorizations in 1966 to 65 percent in 1970.

The gap is the result of a two-step Congressional procedure. Certain committees are responsible for substantive or authorizing legislation and then other committees deal with the funding of those measures.

The widening gap points up a heightening national dilemma: State and local governments contend they need firm information on their Federal aid in time to make realistic program plans; on the other side, the fiscal generalists — the President and his budget officials and members of Congressional appropriations committees — argue they need the flexibility of the two-step procedure to stretch fiscal resources to cover program needs.

The analysis revealed political realities reflected in the gap. For instance, the widest gap occurred in programs of the Department of Health, Education and Welfare. One reason was the massive infusion of funds for human resources authorized over a five-year period in the mid-sixties at the same time that taxes were cut and commitments in Vietnam escalated. The Office of Economic Opportunity experienced the least lag, primarily because its authorizations increased slowly due to the controversial nature of the program.

The use of political leverage in the process was demonstrated in the history of the Federal waste treatment plant construction program. This program authorized $150 million for each of the fiscal years 1966 and 1967. The appropriation for fiscal 1967 matched this promise. Beginning with fiscal 1968, the authorizations zoomed upward to $450 million for that year, $700 million for 1969, and $1 billion for 1970. However, the 1968 appropriations amounted to only $203 million — less than half the authorization — and $214 million for 1969 — not even one-third. The 1970 budget proposed the same amount. But the environment had become a major political issue and public pressure for “full funding” in the end resulted in an $800 million appropriation, 80 percent of the “promise.”

One of the results of the gap is to provide high-powered ammunition for proponents of trust-fund financing. They are using the gap as an argument for building greater certainty into the Federal aid process by placing far more emphasis on the rigid trust fund financing procedure. In the Commission’s new report on financing capital facilities (see page 14) recommendations are made for a compromise procedure to increase Federal aid certainty but at the same time avoid the rigidities of trust-fund financing.

**Buying In**

The last decade has witnessed a sharp rise in “direct federalism” that presents serious challenges to the theory of “cooperative federalism.”

Direct federalism is the growing Federal-local grant relationship that bypasses the States. It has been justified by Federal, city and county officials as the only recourse when the States are unable or unwilling to meet pressing urban needs. That argument has been countered by State officials who contend that States should be the prime contractors for all Federal grants, including those to localities.

The Commission has been on record since 1964 in favor of a compromise: the States should regain administrative and financial control of local programs through buying in — putting up a substantial portion of the non-federal share of program costs. In 1970, the Com-
mission published a two-part package on buying in: a survey of the extent of buying in across the Nation; and a case study of the impact of one State buying into a specific Federal-local program.

The survey covered 12 federally aided urban programs: low rent public housing, urban renewal, urban planning assistance, Model Cities, airport development, Urban Mass Transit, community action, waste treatment facilities, air pollution control, Juvenile Delinquency Prevention and Control, solid waste disposal and aid for educationally deprived children. Of 37 States that responded to the questionnaire, 34 had made some kind of contribution. However, the total amount paid to local units was only $229.3 million in 1969, and New York accounted for more than half. The record of State technical assistance to localities was significantly better than financial aid.

The case study investigated the impact of New York State buying into the Federal-Aid Airport Program. The study had been made by a staff member for his doctoral dissertation. It tested the hypothesis that buying in would substantially improve the administration and financing of Federal-local urban development grant programs. It found that buying in substantially improved cost-sharing arrangements, broadened local program scope, and reduced local project costs; that there was some increase in local participation, greater State-local planning coordination, faster funding of local projects, closer State-local cooperation and some reduction in project processing time when the State bought in; but that buying in resulted in no improvement in the degree of State supervision of local projects and State inter-agency coordination.

The Commission's capital facilities financing report (see page 14) urged Federal incentives for States to buy into local programs, noting that in the waste treatment construction program — which had such incentives — there has been substantial State buying in.

ADDITIONAL INFORMATION SERVICES

Over the years, the Commission has instituted additional services to provide more information on emerging intergovernmental issues to selected officials and organizations. During 1970, this process was stepped up. The Information Bulletin series was reoriented and two new series were launched: Information Interchange Service and "four-pagers." Circulation was increased from 1,882 to 3,000 including congressional staff in substantial numbers for the first time.

Information Bulletins

The Commission inaugurated Information Bulletins in 1968 as a vehicle for short staff papers, summaries of reports, and transmittal of materials of intergovernmental interest. During 1970, the various functions of the series were split into separate publications and the Bulletin was focused on staff interpretation and analyses of issues. A new format was developed to make it easier to use by the busy official: a concise summary was placed at the beginning, the writing was brightened and the Bulletins were shortened.

Some of the subjects covered in the Bulletins included balanced urban development, a roundup of environmental action in the States, model legislation for a State Housing Finance Agency, a closer look at whether size can make a difference in local government expenditures, a progress report on New Federalism, model legislation for a State Public Labor-Management Relations Act, the circuit-breaker approach to property tax relief, and a second reading of metropolitan disparities.

Information Interchange Service

Interchange was initiated in June to take over the Bulletin's transmittal functions and to provide a forum on issues of mutual concern. Each issue of Interchange transmits four or five documents, generally pertinent articles from journals or papers prepared by officials or other organizations that might not otherwise reach the select Interchange mailing list.

Interchange generally asks a question, the answers to which are needed for other Commission activities. The enthusiastic response has demonstrated reader interest in this service and the need for a publication of this type. The service provides an additional tool for the Commission's research staff in working on reports and the answers to "Interchange Inquires" have formed the basis for Information Bulletins.

Four-Pagers

"Four-pagers" — as the name implies — are four-page summaries of Commission reports or staff analyses deemed of more than limited interest. They are written in terse laymen's language, styled to be attractive, and printed in considerable quantity to afford wide distribution.

Four four-pagers published so far summarize Commission reports: Urban America and the Federal System, The Commuter and the Municipal Income Tax, Making the Safe Streets Act Work: An Intergovernmental Challenge, and Federal Approaches to Aid State and Local Capital Facilities Financing. They present the essence of the report and highlight the findings and recommendations. Where space is available, they provide a coupon for ordering the report from the Government Printing Office.
The four-pagers serve a variety of purposes. They alert a greater number of potential users of Commission activities. They save on printing costs because fewer free copies of the full report need to be distributed initially, but they permit finer targeting of reports to an audience that can make better use of them.

Other Initiatives

The Commission now uses the massive Government Printing Office mailing list to announce new publications to a wider audience. The Commission brochure was revised to make it shorter and more readable. And a new display kit was developed for use at State, regional and national meetings of key policy making officials at all levels.

Financial Support of the Commission

From its inception, the Commission has relied primarily on congressional appropriations for its financial support. Until 1966, in fact, the Commission was not empowered to receive funds from non-federal sources. However, in that year, following joint hearings by the House and Senate Subcommittees on Intergovernmental Relations who reviewed the Commission's activities and accomplishments during its first five years of operation, Public Law 89-733 was enacted. Among other things it authorized the Commission to accept contributions from State and local governments and organizations thereof, and from non-profit organizations including private foundations.

Accordingly, starting in fiscal 1968 the Commission invited State governments to make annual token contributions to ACIR. A year later a limited number of large cities also were invited to contribute. A total of 34 States and three cities contributed $42,000 to INTERGOV in fiscal 1970.

The Commission receives about $5,000 a year from miscellaneous non-profit organizations. For the most part this money represents contributions in lieu of honoraria to INTERGOV staff members who address or participate in conferences sponsored by these organizations.

Over the past two years the Commission has received a total of $137,200 in grants from the Ford Foundation. Of this amount $25,000 was for a project completed in 1969. It involved compiling and publishing in one volume all of the Commission's major findings and recommendations dealing with urban and metropolitan problems. The remaining $112,200 was in support of a project to develop techniques of measuring fiscal capacity and effort for State and local areas. This project was completed in 1970; the report will be issued early in 1971.

Occasionally the Commission receives funds from other Federal agencies to undertake projects that tie in closely with on-going Commission research. One such grant was received from the Urban Mass Transportation Administration in early 1969 for a research project that was completed in January 1970 at a cost of approximately $60,000.

As a matter of Commission policy, State, local and miscellaneous contributions are used to supplement and strengthen ACIR services to State and local government. Grant funds are used for consultants and temporary personnel to carry out the specific research projects for which the funds are granted.
APPENDIX A

CONSOLIDATED STATEMENT OF OBLIGATIONS
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS
FOR FISCAL YEARS 1970 AND 1971

Object Classification
(in thousands of dollars)

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1 Total includes $138,000 from non-Federal sources and $47,000 from a Department of Transportation research grant.

2 Total includes $85,000 from non-Federal sources.
APPENDIX B

PUBLICATIONS OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Reports Published During 1970


Reports Published in Previous Years

(currently available)

1 Publications marked with an asterisk may be purchased directly from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. Single copies of other publications may be obtained without charge from the Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575.


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1 Publications marked with an asterisk may be purchased directly from the Superintendent of Documents, Government Printing Office, Washington, D. C. 20402. Single copies of other publications may be obtained without charge from the Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575.