To improve the effectiveness of the American federal system through increased cooperation among National, State, and local levels of government.

Washington D.C. 20575

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THE
ADVISORY COMMISSION
ON
INTERGOVERNMENTAL
RELATIONS

To improve the effectiveness of the American federal system through increased cooperation among National, State, and local levels of government.

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ORIGIN, COMPOSITION AND FUNCTIONS

Origin

Dating from the establishment of the Republic, the division of authority and responsibility between the National Government and the States has been debated more frequently with fervor than any other feature of our governmental system.

International and domestic developments since the onset of World War II have given special importance to the structure of this federal system. The sequence of international crises has brought into sharp focus the contrast between the federal form with powers divided among its parts and unitary systems under which all public powers stem from the central government. At home, the role of government has increased its scope with problems of national economic growth and stability, with accelerated population mobility particularly into and around large urban areas, and with the people's insistence on more and improved governmental services at all government levels.

Growth in the size and complexity of our modern life and governmental activity has added greatly to the variety and extent of interaction among the several levels of government. This increased interaction has expanded opportunities for actual accomplishment of a greater range of intergovernmental cooperation. However, such expansion of governmental activity at all levels has correspondingly increased the number of actual and potential friction points in our federal system. In the process, municipal and State officials have become increasingly more concerned with intergovernmental relations. Similar attention also has emanated from a succession of recent Congresses and Chief Executives.

During the Administration of President Truman, the Commission on Organization of the Executive Branch of the Government (the "First Hoover" Commission) addressed itself to the relationships between Federal and State governments, especially with reference to the administration of grant-in-aid programs. In one of its reports it recommended that a permanent agency "be created with primary responsibility for study, information and guidance in the field of Federal-State relations." In 1953, President Eisenhower called for a thorough review of intergovernmental relations. Congress responded by authorizing the creation of a temporary commission made up of persons appointed by the President and designated Members from both Houses of
Congress. This Commission came to be known by the name of its Chairman, the late Meyer Kestnbaum of Chicago. In 1955 the Kestnbaum Commission issued its formal report, the most comprehensive review of intergovernmental relations since the adoption of the Constitution.

The Kestnbaum report covered not only the philosophical aspects of federalism but also a wide variety of specific recommendations on the allocation of functions and responsibilities as between the National Government and the States. In 1955-58 the House Intergovernmental Relations Subcommittee, under the chairmanship of Congressman Fountain of North Carolina, made a comprehensive study of the recommendations of the Kestnbaum Commission, including those relating to permanent arrangements within the National Government to deal with intergovernmental relations. After a series of hearings running through 1956 and 1957, the subcommittee agreed upon a bill to create a permanent Advisory Commission on Intergovernmental Relations. Hearings on this bill were held jointly with a subcommittee of the Senate Committee on Government Operations. A companion measure was sponsored in the Senate by Senator Muskie of Maine and 25 other Senators. These bills culminated in the enactment of Public Law 380 in the first session of the 86th Congress.

Public Law 86-380, approved by the President September 24, 1959, provided for the establishment of the Advisory Commission on Intergovernmental Relations, a permanent, bipartisan body of 26 members, to give continuing study to the relationships among local, State, and National levels of government.

In 1966, the President approved Public Law 89-733 which amends the original Act. The major effect of the changes is to permit members whose terms expire to serve until their successors are appointed and to allow the Commission to receive funds through "grants, contracts, and contributions from State and local governments and organizations thereof, and from nonprofit organizations."

Purposes

The Act provides that the Commission will:
1. Bring together representatives of the Federal, State, and local governments for consideration of common problems;
2. Provide a forum for discussion of the administration of Federal grant programs;
3. Give critical attention to the conditions and controls involved in the administration of Federal grant programs;
4. Make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;
5. Encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;
6. Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and
7. Recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

Membership

The composition of the Commission is specified by the Act: Three private citizens appointed by the President; three Members of the U.S. Senate; three Members of the U.S. House of Representatives; three officers of the Executive Branch of the National Government; four Governors; three State legislators; four mayors; and three county officials. The President designates the Chairman and Vice Chairman of the Commission.

The six Members of Congress are chosen by the President of the Senate and the Speaker of the House, respectively. Of the three Members from each House, no more than two may be of the same political party. The Governors are appointed by the President from a panel of names submitted by the Governors' Conference, the panel consisting of two names for each vacancy. No more than two of the four Governors may be of the same political party. The three State legislators—no more than two of the same political party—are appointed by the President from a panel submitted by the Board of Managers of the Council of State Governments. The four mayors—no more than two of the same political party and not less than two from cities of less than 500,000—are appointed by the President from a panel submitted jointly by the National League of Cities and the United States Conference of Mayors. The three county officials—no more than two of the same political
party—are appointed from a panel submitted by the National Association of Counties. The three officers of the executive branch of the National Government are designated by the President.

Thus, of the 26 members of the Commission, 9 represent the National Government (6 from the Legislative, and 3 from the Executive Branch), 14 represent State and local government, and 3 the public at large. Consequently, although created by the Congress, the Commission from a practical point of view is not a Federal agency in the usual sense of the word. Rather, it is a national body responsive to all three levels of government and to their executive and legislative branches.

Members of the Commission serve for a term of 2 years from the date of appointment and are eligible for reappointment. However, except for the three public members, any member ceasing to hold the official position from which appointed to the Commission ceases simultaneously to be a member of the Commission.

Organization

The Commission meets at the call of the Chairman. To date it has met four or five times a year on the average.

The staff of the Commission is headed by an Executive Director, appointed by and serving at the pleasure of the Commission. The staff work of the Commission is organized into three major areas—(1) Taxation and Finance, (2) Governmental Structure and Functions, and (3) Program Implementation.

Cooperating Organizations

Four organizations maintain particularly close ties with the Commission, both legally and substantively. These are the Council of State Governments, including the Governors' Conference; the National League of Cities; the National Association of Counties; and the United States Conference of Mayors. These organizations are charged under the Act with participating in the appointment of members of the Commission. Furthermore, the membership of these organizations is closely concerned with the work of the Commission, both in terms of bringing problems to the attention of the Commission and in acting upon the Commission's recommendations to State and local governments. In
connection with recommendations made to State and local government, the Commission works closely with State leagues of municipalities and State associations of county officials. Additionally, the Commission works with the National Conference of State Legislative Leaders, the National Association of State Auditors, Comptrollers and Treasurers, the National Association of State Budget Officers, the Federation of Tax Administrators, the National Association of Attorneys General, the Municipal Finance Officers' Association, the National Municipal League and a variety of other public and private interest organizations.

The Commission also works closely with the Executive Office of the President, the various agencies of the Executive Branch of the National Government, and with those committees of the Congress most concerned with legislation affecting intergovernmental relations.

Work Program

Since the Commission is a continuing body, it approaches its work in terms of specific issues and problems, the resolution of which would produce improved cooperation among the levels of government and a more effective functioning of the federal system. The Commission's activities focus upon relationships between State governments and the counties, cities, and other units of local government as well as problems of Federal-State and Federal-local relations.

Studies are undertaken of the problems resulting from the rapid growth of our metropolitan areas with specific emphasis directed to identifying the proper responsibilities of each level of government; recommending the most effective use of the combined resources of our local, State, and National governments in meeting urban needs; and improving coordination among the many governmental jurisdictions and functions in the large metropolitan areas.

Efforts are being directed to the strains currently being placed on traditional governmental taxing practices. Studies are undertaken seeking to improve Federal, State, and local coordination of tax and fiscal practices and policies to achieve equitable allocation of tax resources, increased efficiency in tax collection and in administration, and reduced compliance burdens upon taxpayers.

The Commission is proceeding to discharge its responsibilities in the following manner:

1. It approaches its work objectively. As it gives
consideration to present functions and responsibilities and to emerging problems, the Commission is endeavoring to frame its recommendations on the merits of the case as it sees them. Depending on the circumstances it may recommend expansion, or contraction, transfer, or elimination of particular functions and responsibilities at respective levels of government.

2. It approaches its work selectively. To prevent duplication, it does not involve itself in areas presently the responsibility of other governmental commissions and bodies. (For example, in the area of Federal taxes, the Commission will be concerned with the Federal-State-local relationships involved in these taxes and not with the desirable magnitude of a particular tax—the latter being the concern of the respective executive officials and legislative committees.) It hears groups with an interest in intergovernmental relationships but does not espouse “group causes,” as such.

3. It works with governmental agencies, associations of public officials, colleges and universities, and private research organizations studying problems of intergovernmental relations. The Commission hopes to encourage and stimulate these groups to make sure that total resources, public and private, will be most effectively deployed for the solution of problems.

In selecting items for its work program, the Commission is guided by: (a) The relative importance and urgency of the problem; (b) its manageability from the standpoint of financial and staff resources available to the Commission; and (c) the extent to which the Commission can make a fruitful contribution toward solution of the problem.

Implementation of Recommendations

Although the Commission is a continuing body it recognizes that its own value and place in the federal system will be determined by the extent to which it is able to make constructive contributions. It cannot expect continuance and support over an indefinite period unless by its actions significant changes for the better occur in the relationships between and among Federal, State, and local agencies of government. Therefore, a considerable share of the resources of the Commission are devoted to the promotion of legislative or administrative action to carry out the recommendations which it makes to the legislative and executive branches of the various levels of government.
National Government

Specifically, when the Commission makes recommendations for legislative changes at the National level, it develops draft bills and amendments for consideration by the Congress. Congressional members of the Commission introduce these bills and amendments which are referred to appropriate committees in the normal course and considered along with other legislation before the Congress. The Commission transmits its recommendations for administrative changes at the National level to the President, his Executive Office, or heads of individual department and agencies, as appropriate.

State and Local Government

Legislative recommendations to the States are translated into draft bill form and appear in the Commission's State Legislative Program, which is published and distributed to Governors, legislators, and other officials of the several States. The Commission makes every effort to encourage favorable consideration by the State legislative bodies. Recommendations for executive action by the States are channeled to the Governors and other pertinent State executive officers.

Recommendations to local governments are channeled both directly and through the National League of Cities, the National Association of Counties, the U.S. Conference of Mayors, and other appropriate organizations.

The Commission explains and seeks formal support for its recommendations from the various organizations with which it cooperates. The Commission also works with the Council of State Governments, State leagues of municipalities, State associations of counties, citizen groups, business, professional and labor organizations, taxpayer leagues, bureaus of governmental research, and other public and private interest groups in behalf of legislation proposed, particularly at the State and local level.
Government Structure and Functions

State Constitutional and Statutory Restrictions on the Structural, Functional and Personnel Powers of Local Governments

The Commission recommends:

1. Amendment of State constitutions to grant "residual powers" to units of general local government—namely, all powers not reserved to the State in the Constitution or pre-empted for the State by action of the legislature.*

2. Modification of State and Federal grant-in-aid programs to provide incentives to small local governments to join together in administering the function being given grant assistance.

3. Authorization to county governments individually or jointly to establish service corporations or authorities, where clearly necessary and with appropriate safeguards.*

4. Authorization to municipalities and counties to adopt optional forms of local governments.

5. Authorization to local governing boards to fix appointment, tenure and salaries of all local officials and personnel except those engaged in so-called "liberty and equality functions," such as elections administration and district attorney and sheriff functions.

6. Provision by the State government of technical assistance upon request of local governments with regard to personnel administration.

Apportionment of State Legislatures

The Commission recommends for con-

*Mr. Hummel dissented.
sideration by Governors, legislators, and State and Federal courts that:

1. Apportionment of seats in State legislative bodies, a basic factor of representative government, be clearly specified in State constitutions.

2. Where a legislative body is to be apportioned on the basis of population, a maximum deviation of ten percent be constitutionally specified.

3. The constitution charge the State legislature with initial responsibility for apportionment, but further provide for a nonlegislative and nonjudicial body to do the apportioning job if the legislature fails to act or acts unconstitutionally.

4. The constitution further specify the frequency of reapportionment and endow State courts with both jurisdiction and remedies with respect to reapportionment actions.

5. The people of the State be provided the opportunity to react at the polls at any time to the continuance or change of apportionment formulas.

6. State and Federal courts confine their apportionment roles to adjudicating and enforcing the constitutionality of apportionment actions, and refrain from the prescription of specific apportionment formulas or the geographic composition of legislative districts.

7. Both houses of a State legislature be apportioned strictly on the basis of population.* (Implemented by six decisions of the U.S. Supreme Court June 15, 1964.)

Transferability of Public Employee Retirement Credits Among Units of Government

The Commission recommends that:

1. Public employees of all units of government.
government be provided coverage by a staff retirement system.

2. States, in which numerous small public employee retirement systems operate, examine the situation and provide necessary leadership for merging these systems where feasible.

3. States which do not now have an intrastate reciprocal retirement law enact such legislation in order to provide for a considerable measure of preservation and continuity of retirement credits for public employees who transfer employment between covered units of government within the State.

4. The employee’s benefits be vested when he has completed a period of service of not more than five years in the system, and the employee be granted a deferred retirement annuity at the normal retirement age, providing he does not withdraw his contributions to the retirement fund when he leaves employment covered by the fund.

5. Units of government not now covered under Social Security review the situation and give careful consideration to the possible advantages of extending Social Security to their employees.

Controls Associated With Federal Grants for Public Assistance

The Commission recommends that Congress amend the Social Security Act:

1. To provide for judicial review of decisions of the Secretary of Health, Education, and Welfare regarding conformity of State public assistance plans with the Act.* ( Implemented by P.L. 89-97.)

2. To provide the Secretary with discretion for declaring parts of State public assistance plans out of conformity with the Act.**

*Secretary Celebrezze, Administrator Weaver, and Mayor Naftalin dissented.
**Secretary Celebrezze dissented.
3. To give the Secretary discretion to waive the single State agency requirement for the public assistance titles when he is certain that the objectives of the program will not be endangered.* (Implemented by the Intergovernmental Cooperation Act of 1968, P.L. 90-577.)

4. To establish a permanent Public Assistance Advisory Council to advise the Secretary on proposed legislation, administrative regulations, and other related matters.* (Largely implemented by Presidential Memorandum, November 11, 1966.)

5. To remove the prohibitions in the Act denying Federal participation in assistance payments to needy individuals who are patients in institutions as a result of a diagnosis of tuberculosis or psychosis.** (Implemented by P.L. 89-97.)

The Problem of Special Districts in American Government

The Commission recommends that the States enact legislation to provide that:

1. No special district be created prior to review and approval of the proposed district by an agency consisting of representatives of city and county government in the county within which the proposed district will operate. Creation of districts undertaking functions of statewide concern also should be approved by an appropriate State agency.

2. Prior to granting consent to creation of a special district municipalites, counties, and districts performing the same function which would be undertaken by the proposed district be given an opportunity to indicate ability and willingness to provide the service within the territory of the proposed district; and, where such willingness and ability are expressed, the proposed district not be created.

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*Secretary Celebrezze dissented.
**Secretary Celebrezze and Mayor Goldner dissented.
3. Activities of existing and subsequently created special districts be coordinated with the activities of units of general government, specifically: (a) proposed acquisition of title to land by a district should be approved by the unit of general local government within which the land lies; and (b) proposed district capital improvements should be submitted to the appropriate unit or units of general local government for comment prior to final action on the proposal by the governing body of the district. Where the district is performing a function that directly affects a program conducted by the State, approval and review also should be required by the State agency responsible for the State program involved.

4. To the extent practicable, special district budgets and accounts be formulated and maintained according to uniform procedures, and that State or private audits of district accounts be made at regular intervals.

5. Counties and municipalities, when sending out their tax bills or providing receipts to individual property owners, itemize special district property taxes and special assessments levied against the property.

6. Simple procedures be established for consolidation, merger, or dissolution of special districts. Such procedures should permit an appropriate unit of general government to assume responsibility for the function of the special district, and a consolidation and merger of districts performing the same or similar functions.

7. Review and approval by a State agency of service charges or tolls levied by special districts be required, where such charges or tolls are not reviewed and approved by the governing body of a unit of general government.

8. Counties be authorized to establish subordinate taxing areas in parts of their territory to enable these governments to provide and finance a governmental service in a portion of the county.
9. Each State make a comprehensive study of all governmental entities to ascertain the numbers, types, functions, and financing of those that might be defined as special districts, subordinate agencies, and taxing areas in order to determine their total impact on government structure and organization within the State and to develop appropriate legislation.

10. In preparing annual reports of their operations, counties and municipalities include pertinent information on the activities of all special districts operating within their borders.

Governmental Approaches to Providing Metropolitan Services

In its reports on governmental structure and alternative approaches to reorganization in metropolitan areas, the Commission has submitted a number of recommendations for consideration by State legislatures, including:

1. Simplified statutory requirements for municipal annexation of unincorporated territory.

2. Authorization for inter-local contracting and joint performance of urban services.

3. Authorization for establishment of metropolitan service corporations for performance of voter-approved governmental services that call for area-wide handling.*

4. Authorization for voluntary transfer of governmental functions from cities to counties and vice versa.

5. Authorization for the creation of metropolitan area study commissions on local government structure and services.*

6. Authorization for creation of metropolitan area planning bodies.

7. Establishment of a unit of State government to give continuing attention, review, and assistance regarding the State’s metropolitan areas.

*Mr. Michaelian and Mr. Burton dissented.
8. Inauguration of State programs of financial and technical assistance to metropolitan areas.

9. Stricter State standards for new incorporations within metropolitan areas.

10. Financial and regulatory action by the State to secure and preserve “open land” in and around metropolitan areas.

11. Assumption by the State of an active role in the resolution of disputes among local units of government within metropolitan areas, including disputes in connection with interlocal agreements and contracts.

12. Where effective county subdivision control does not exist over fringe areas, enactment of State legislation authorizing municipalities to exercise such extraterritorial planning, zoning and subdivision regulation.

13. To facilitate the formation of voluntary “metropolitan councils” of elected officials, the enactment by States of appropriate legislation authorizing legal entity status to voluntary councils which desire it.

The Commission has also recommended expanded activity by the National Government with respect to metropolitan area problems, including:

1. Financial support on a continuing basis to metropolitan area planning agencies.* (Implemented by administrative action by the Commissioner of the Urban Renewal Administration, 1963.)


3. Congressional consent in advance to interstate compacts creating planning agencies in those metropolitan areas crossing State lines. (Implemented by the Housing Act of 1961, P.L. 87-70.)

*Governor Smylie dissented and Congressman Fountain reserved judgment.
4. Review by a metropolitan planning agency of applications for Federal grants-in-aid within the area with respect to airport, highway, public housing and hospital construction, waste treatment works and urban renewal projects. (Implemented by the Demonstration Cities and Metropolitan Development Act of 1966, P.L. 89-754.)

Mass Transportation

The Commission recommends:

1. Provision of Federal financial assistance in the form of loans and demonstration and planning grants to metropolitan areas for mass transportation facilities and services.* (Implemented by the Housing Act of 1961, P.L. 87-70.)

2. Legislative and administrative action by the States, particularly the larger industrial States, in initiating programs of financial and technical assistance to their metropolitan areas with respect to mass transportation facilities and services.

3. Enactment of State legislation, particularly in the larger industrial States, authorizing the establishment within metropolitan areas of mass transportation authorities, with powers to construct and operate transportation systems, to issue bonds, and to impose user charges.**

Intergovernmental Responsibilities for Water Supply and Sewage Disposal in Metropolitan Areas

The Commission recommends the following legislative and administrative actions by State and local governments:

1. Increased investment by local governments in urban water and sewer facilities, particularly for sewage treatment plants.

*Mr. Burton dissented with that part dealing with loans.
**Mr. Burton dissented.
2. Improvement in central city-suburban contractual and planning relationships, including suburban representation on city water and sewer agencies serving suburbs under contract.

3. Cooperation among local units of government in metropolitan areas so as to plan, develop and regulate water and sewer facilities on an areawide basis.

4. Enactment of State legislation vesting responsibility for overall State water resource planning and policymaking in an agency and providing for representation of urban interests on interstate water agencies.

5. Enactment of State legislation to provide for (a) abatement and control of pollution of rivers and streams; and (b) State and local regulatory authority over individual well and septic tank installations, minimizing and limiting their use to exceptional situations consistent with comprehensive land use goals.

6. Enactment of State legislation to (a) provide State financial assistance for local sewage treatment works, supplementing existing Federal aid; (b) provide incentives for area-wide or regional development of local water and sewer utilities; (c) provide State technical assistance to local waste treatment facility planning and construction; (d) liberalize debt limits and referenda requirements for water and sewer utility financing; and (e) permit joint action by units of local government in meeting area water and sewer needs.

7. More vigorous enforcement of existing State pollution abatement laws.

The Commission also recommends the following legislative and administrative actions by the National Government:

1. The Commission sees no present need for any new Federal grant-in-aid program for local water works comparable to Federal grants for sewage treatment construction. (Rejected by Congress; water system grants now available.)
2. Amendment of the Water Pollution Control Act of 1956 to provide (a) an additional matching incentive for the development of sewage disposal facilities on a regional or areawide basis; and (b) an increased dollar ceiling in Federal grants to larger cities for sewage treatment works. (Implemented by the Water Quality Act of 1965, P.L. 89-234.)

3. Amendment of statute governing Public Facility Loans Program of the Housing and Home Finance Agency to permit (a) communities of 50,000 or more to qualify for sewer and water loans; (Implemented by the Housing Act of 1965, P.L. 89-117); and (b) the joining together of communities with an aggregate population of over 50,000 for purposes of such loan assistance.* (Implemented by the Housing Act of 1964, P.L. 88-560.)

4. Amendment of statutes governing the FHA mortgage insurance program and the home loan program of the Veterans Administration to (a) tighten eligibility requirements for individual well and septic tank installations* and (b) include as insurable site preparation and development costs of water and sewer lines and systems. (Implemented by the Housing Act of 1965, P.L. 89-117.)

5. Evaluation by the Federal Executive Branch of present Federal enforcement powers and financial incentives relative to industrial pollution of rivers and streams. (Implemented by action of the Surgeon General in chartering study, "Industrial Incentives For Water Pollution Abatement." Report rendered February 1965.)

6. Consideration of urban water needs in future Federal water resources planning equal to that given water requirements for navigation, power, and agriculture. (Implemented by the Water Resources Planning Act of 1965 and Senate Document No. 97, 87th Congress, Second Session.)

*Secretary Dillon abstained.
Impact of Federal Urban Development Programs on Local Government Organization and Planning

The Commission recommends that:

1. (a) All organizational limitations which require or promote special purpose units of local government to the disadvantage of general purpose units of local government (i.e., municipalities, towns, and counties), be removed from Federal aid programs for urban development;

(b) General purpose units of government be favored as Federal aid recipients, other factors being equal (Implemented by the Intergovernmental Cooperation Act of 1968, P.L. 90-577); and

(c) Special purpose units of government be required to coordinate their Federal aid activities with general purpose governments. (Implemented by the Demonstration Cities and Metropolitan Development Act of 1966, P.L. 89-754.)

2. Congress and executive agencies authorize and encourage joint participation by local governmental units having common program objectives affecting the development of an urban area overlapping existing political boundaries and State legislatures take similar action.

3. Federal grants-in-aid for urban development be channeled through the States in cases where a State (a) provides appropriate administrative machinery to carry out relevant responsibilities, and (b) provides significant financial contributions and, when appropriate, technical assistance to the local governments concerned.*

4. Effective planning at the local levels be required and promoted to the extent appropriate in all Federal aid programs significantly affecting urban development. (Implemented by P.L. 90-577.)

5. Eligibility requirements for Federal urban planning assistance, under Section

*Senator Muskie, Mr. Hummell, Administrator Weaver and Mayors Blaisdell, Naftalin, and Tucker dissented.
701 of the Housing Act of 1954, be broadened to include all municipalities and counties over 50,000 population which are undergoing rapid urbanization. (Implemented in part by the Housing Act of 1964, P.L. 88-560.)

6. Legislation be enacted by the Congress to establish the principle of Federal interagency coordination, and this principle be implemented by preparing and adopting a unified urban development policy within the Executive Branch. (Implemented by P.L. 90-577.)

7. State governments assume their proper responsibilities for assisting and facilitating urban development.

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<tr>
<th>Metropolitan Social and Economic Disparities</th>
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<td>The Commission recommends that:</td>
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<tr>
<td>1. Each local governmental unit and agency within metropolitan areas, ascertain, analyze, and give recognition to economic and social disparities affecting its programs. Federal planning aids for urban development should specifically authorize and encourage economic and social policy planning for the community as a basic justification for physical planning. (Implemented by the Housing and Urban Development Act of 1968, P.L. 90-448.)</td>
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<td>2. State legislation be enacted restricting zoning authority in metropolitan areas to larger municipalities and to county government to encourage a wide range of housing prices, and that metropolitan planning agencies prepare plans and ordinances for adoption by local governments reflecting this objective.</td>
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<td>3. States enact legislation authorizing the adoption of uniform housing, building, zoning, and platting codes within metropolitan areas, and that local governments utilize such authority.</td>
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<td>4. To encourage diversification and geographic dispersal of housing for low income groups, Federal and, where necessary, State legislation be amended to (a)</td>
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facilitate use of existing private housing by local public housing authorities; (b) authorize subsidizing of rents of low income families in existing private housing;* and (c) permit financial assistance to private nonprofit organizations to enable them to provide subsidized housing for low income families. (Federal portions implemented by the Housing Act of 1965, P.L. 89-117.)

5. The appropriate Federal and State agencies accelerate the adoption of cooperative agreements for the enforcement of Federal and State laws and regulations forbidding discrimination in housing.

6. The Congress remove existing limitations on nonresidential renewal from the Federal urban renewal program.

7. Governors of the several States and the Secretary of Labor take steps, including interstate agreements, to assure that public employment services are provided to all job applicants and employees within metropolitan area labor markets regardless of State lines, and the Secretary assure himself that such arrangements are being effectively carried out as a condition to Federal grants for employment security administration. (Implemented by regulations issued by the Secretary of Labor, February 15, 1967.)

8. States enact legislation authorizing counties in metropolitan areas to provide urban renewal and public housing services to unincorporated areas and small municipalities and that States provide financial and technical assistance.

9. States enact legislation authorizing and encouraging areawide coordination and administration — through county governments or other appropriate means — of vocational education and retraining programs within metropolitan areas.

10. States enact legislation authorizing the use of taxing powers by responsible areawide metropolitan service agencies car-

*Governor Anderson, Mayor Goldner and Mrs. Wilcox dissented.
rying on functions not solely financed by user charges.

11. Each State examine its present system of grants and shared taxes and remove all features that aggravate differences in local fiscal capacity to deal with service requirements in metropolitan areas and that encourage the proliferation of local governments within such areas.

12. States consider the merit of using State grant funds to equalize local property tax loads among local jurisdictions in metropolitan areas.

13. Local governments in metropolitan areas negotiating the sharing of costs for areawide urban services utilize cost-benefit studies as a basis for such negotiations; the States and the Federal Government develop standards of measurement of costs and benefits for areawide services that they support through grant and loan programs.

Relocation

The Commission recommends that:

1. The Congress establish and executive agencies implement a uniform policy of relocation payments and advisory assistance for persons and business displaced by grant-in-aid or direct Federal programs.

2. Each State establish a uniform policy within the State covering relocation assistance and relocation payments for persons and businesses displaced by State and local programs.

3. The Congress and State legislatures assign to administrative agencies responsibility for determining the amount of relocation payments, subject to specific statutory maximums.

4. The Congress require State and local governments administering Federal grant-in-aid programs, before proceeding with any property acquisition that displaces people, to assure that there is a method for temporary relocation and that standard housing units in sufficient quantities at a comparable location, within displacees’ financial means, are or will be
available; and that the States enact legisla-
tion with a similar requirement for State
and local agencies.

5. Under Federal grant-in-aid pro-
grams, the full costs of payments to any
person for relocating a family, and the
costs of payments up to $25,000 to any
person relocating a business be completely
reimbursed by the Federal Government;
and the costs of business relocation pay-
ments in excess of that amount be shared
on the basis of the cost-sharing formula
governing the particular program.

6. The States share in local govern-
ment’s costs of providing relocation pay-
ments and services in programs for which
localities receive State or Federal grants to
which the State contributes part of the
local share.

7. The Small Business Administration
Act be broadened to authorize disaster
loans to small business concerns that suffer
substantial economic injury as a result of a
construction program conducted by State
and local governments or that are adversely
affected but not actually displaced by
government property takings.

8. Congress amend the Manpower De-
velopment and Training Act to permit
widow and widower owners of displaced
firms to be eligible for manpower retraining
allowances. (Implemented by P.L.
89-15.)

9. Federal, State, and local govern-
ments authorize and encourage all agencies
causing displacements in urban areas to
centralize the responsibility for all aspects
of relocation programs in a single agency
which is part of the regular administrative
organization in each major urban jurisdic-
tion.

10. Cities in metropolitan areas with
relocation staff and experience offer to
contract to provide relocation services and
areawide studies of housing needs and
resources for all local governments and
agencies operating in the area and that
smaller units, where necessary, undertake
to provide such services and studies jointly.
11. States and regional organizations assist local governments in planning for relocation through such means as technical assistance in preparation of workable programs and community renewal programs; where States make urban renewal capital grants, advances therefrom should be provided for relocation planning.

12. Federal and State governments require their departments and agencies and special districts causing displacements to give advance notice at the earliest practicable time to local units of general government of any construction programs which will displace persons and businesses.

Building Codes: A Program for Intergovernmental Reform

The Commission recommends that:

1. Congress authorize and finance a public-private cooperative program to develop national performance criteria and standards and testing procedures for building construction.

2. The establishment of a continuing national program of building research and that appropriate Federal agencies cooperate in developing knowledge applicable to the solution of building problems. (Implemented in part by Section 1010 of the Demonstration Cities and Metropolitan Development Act of 1966, P.L. 89-754.)

3. Programs for research in building construction be established by appropriate State agencies and institutions of higher education and research findings be disseminated to public officials and private businesses.

4. The President designate a drafting group representing all levels of government to develop a national voluntary model code with the participation of model code

*Senator Ervin, Senator Mundt, Representative Crank, and State Senator DeStefano urged the Commission to delay action on the recommendations.
<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
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<tbody>
<tr>
<td>Uniform Federal Construction Standards</td>
<td>5. All Federal departments and agencies with responsibility for building construction or for standards governing construction develop and use a common set of standards to the greatest extent possible.</td>
</tr>
<tr>
<td>State Model Code</td>
<td>6. The States prepare and promulgate a comprehensive model building code, based on a nationally recognized model, with a products approval procedure for permissive adoption by local political subdivisions and that any changes made to the model code by local jurisdictions be permitted only with the approval of the State.</td>
</tr>
<tr>
<td>State Appeals Agency</td>
<td>7. The States consider establishment of a building construction review agency to consider appeals by affected parties from the decisions of local government with respect to standards governing building construction and to establish uniform interpretation of building standards.</td>
</tr>
<tr>
<td>Adoption By Reference</td>
<td>8. States permit local jurisdictions to adopt a recognized uniform model building code by reference and permit local jurisdictions to adopt future changes made in such recognized model codes by administrative rather than legislative action.</td>
</tr>
<tr>
<td>Licensing; Salary Supplements</td>
<td>9. The States be empowered to establish professional qualifications and license building inspectors and consider a State salary supplement program for local building code officials to compensate for higher salary requirements likely to result from the licensing program. **</td>
</tr>
<tr>
<td>Training</td>
<td>10. The State authorize and support training programs for building inspectors and provide or arrange for regular internship training programs and that States and local governments utilize grants available under Title VIII of the Housing Act of 1964 to develop such training programs.</td>
</tr>
<tr>
<td>Local Inspection Practices</td>
<td>11. The States establish minimum staffing requirements for building inspection in all local government jurisdictions, *** au-</td>
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*Representative Crank dissented.

**State Senator DeStefano and Mayor Goldner dissented.

***Mayor Goldner dissented.
authorize interlocal agreements for building inspection services to meet such minimum requirements, and provide direct and reimbursable building inspection services to local governments. On site construction inspection services should be centralized among various State and local agencies administering building construction and mechanical or special codes.

Intergovernmental Relations in the Poverty Program

The Commission recommends that:

1. General units of local government rather than private nonprofit groups organize community action agencies (CAAs), except that where such governments do not prefer or otherwise have refrained from undertaking antipoverty programs, the private groups or a combination of public and private representatives should organize the CAAs. All other things being equal, the Office of Economic Opportunity (OEO) and States should give preference to establishment of CAAs by units of general local government rather than private groups. (Implemented by P.L. 90-222.)

2. Congress make no changes in the requirement for "maximum feasible participation" of the poor in the community action program (CAP).

3. The OEO require CAAs to initiate comprehensive plans to guide antipoverty programs. (Implemented by P.L. 90-222.)

4. The OEO encourage separate CAAs in metropolitan areas to conduct community action planning and appropriate services on a joint basis for increased effectiveness and economy.

5. States authorize and provide financial incentives for establishment of multi-purpose regional agencies to undertake community action and other planning and development programs over multi-county areas; and that where States have taken such action, Federal agency heads administering planning and development programs require grant recipients to use the
geographic base of such State-established units and otherwise make maximum feasible use of their facilities and resources. (Federal portion implemented in part by Presidential Memorandum, September 2, 1966.)

6. The OEO Director accelerate his efforts to implement the Section 612 "preference" provision through inter-agency agreements and policy and procedural statements.

7. The Economic Opportunity Council establish machinery to assure integrated planning at the State and Federal levels of job creation and job training programs.

8. The OEO Director accelerate steps, and Congress provide funding, for collection of data on incidence of poverty and application of anti-poverty resources.

9. The OEO and delegate agencies establish uniform procedures in informing Governors about the status of applications and fulfilling gubernatorial approval and veto requirements.

10. The OEO Director's present power to override Governor's veto in Community Action, Adult Basic Education, and Neighborhood Youth Corps programs be retained.*

11. The States fully use grants available from OEO to undertake broad technical assistance programs.

12. The OEO take positive steps to interest States in acting as contractors for Job Corps facilities.

13. The OEO, heads of State technical assistance agencies, and the Council of State Governments, in cooperation with ACIR and affected Federal agencies, establish machinery to prepare model State statutes to remove State administrative and statutory barriers to anti-poverty programs.

14. Congress amend the Economic Opportunity Act to continue indefinitely 10 percent non-Federal matching provisions

*Mayor Blaisdell, Mayor Naftalin, and Mrs. Walters dissented, favoring abolition of the veto.
applicable to Community Action, Neighborhood Youth Corps, and Adult Basic Education programs.* (This recommendation rejected in part by the Congress. Effective July 1, 1967, non-Federal share of Community Action Program and Neighborhood Youth Corps increased to 20 percent.)

Urban and Rural America: Policies for Future Growth

The Commission recommends:

1. Development of a national policy, incorporating social, economic, and other considerations, to guide decisions at the national level which affect the patterns of urban growth.

2. Reassessment of the policies and structure of multi-State economic planning and development agencies and that such agencies take national policies into account in the formulation of their regional programs, and develop regional components for national policies dealing with urban growth.

3. Development, at the State level, of a policy incorporating social, economic, and other considerations to guide specific decisions at the State level which affect the patterns of urban growth; multi-county planning agencies review applications for Federal or State physical development project grants; and that the State legislature provide standing committee structure to assure review of State policy dealing with urban growth.

4. That since national governmental policy has a role to play in influencing the location of people and industry and the resulting patterns of urban growth, consideration be given to the following, as approaches to the implementation of a national policy for urban growth: Congressional authorization of incentives for business and industrial location; Federal legisla-

*Congressman Fountain dissented.
tion providing a preference, in the award of public contracts, to labor surplus and certain other areas; promulgation, by the President, of criteria for location of Federal buildings and facilities; establishment of Federal-State matching program involving resettlement allowances for low-income persons migrating from labor surplus areas; provision of additional Federal funds for on-the-job training allowances for employers in labor surplus areas; expansion of the Federal-State employment service program; establishment of nationwide computerized job information system; Federal legislation that eliminates or reduces the migrational influence of interstate variations on public assistance standards and benefits; expansion and adequate funding of voluntary programs of family planning for low-income persons; federal assistance for new large-scale urban development, through low interest loans and capital grants for land acquisition; Federal aid for new community development, under certain conditions, through Federal low interest loans and tax incentives; Federal legislation providing for experimental new community building on federally-owned lands.

5. That since State governments have a role to play in influencing orderly urban growth, consideration be given to the following, as useful approaches to the implementation of a State policy for urban growth: adoption of policies for locating public buildings, activities, and facilities; establishment of State and regional industrial credit facilities; preference, under specified conditions, in the award of public contracts; establishment of State and local land development agencies; property tax deferral, subject to certain conditions, for new community developers; strengthening of county government by broadening powers and facilitating consolidation; authorization for municipalities, under certain conditions, to annex noncontiguous territory for new community development; control of development near highway interchanges and rights-of-way by a State
agency; and new types of development ordinances and regulations.

The States as Effective Partners In the Federal System

The Commission recommends that:

1. States amend their constitutions to reduce the number of separately elected State officials.

2. States, where needed, amend their constitutions to permit the governor to succeed himself.

3. States, by constitutional or statutory action, provide for a gubernatorial budget covering all estimated income and expenditures to be submitted to each session of the legislature.

4. Each State develop a strong planning capability in its executive branch for development of long-range policies and plans for gubernatorial and legislative consideration; for provision of a framework for functional, departmental, and regional plans; and for assistance to the governor in budgetmaking and program evaluation.

5. State constitutions be amended to authorize the governor to reorganize and shift functions among departments and agencies, subject only to a veto by either House of the State legislature within a specified time period.

6. States themselves provide, without Federal aid, adequate funds and staff to improve their fiscal and program coordination of the Federal categorical grants which they receive.

7. States act to remove certain restrictions on the length and frequency of State legislative sessions; that those States now holding biennial sessions give serious consideration to annual sessions; and States authorize payment of State legislators on an annual basis in an amount commensurate with the demand on their time.*

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*Governor Dempsey dissented.
MEMBERS OF THE COMMISSION

October 1969

Robert E. Merriam, Chairman

National Government

From the United States Senate

Sam J. Ervin, Jr., North Carolina
Karl E. Mundt, South Dakota
Edmund S. Muskie, Maine

From the United States House of Representatives

Florence P. Dwyer, New Jersey
L.H. Fountain, North Carolina
Al Ullman, Oregon

From the Executive Branch

Robert H. Finch, California
Secretary of Health, Education and Welfare
Robert P. Mayo, Illinois
Director of the Bureau of the Budget
George Romney, Michigan
Secretary of Housing and Urban Development

State and Local Government

Governors
Buford Ellington, Tennessee
Warren E. Hearnes, Missouri
Nelson A. Rockefeller, New York
Raymond P. Shafer, Pennsylvania

State Legislators
Senator W. Russell Arrington, Illinois
Senator B. Mahlon Brown, Nevada
Senator Robert P. Knowles, Wisconsin

County Officials
John F. Dever
Middlesex County, Massachusetts
Edwin G. Michaelian
Westchester County, New York
Lawrence K. Roos
St. Louis County, Missouri

Mayors
C. Beverly Briley, Nashville, Tennessee
Richard G. Lugar, Indianapolis, Indiana
Jack Maltester, San Leandro, California
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8. States provide for year-round professional staffing of major State legislative committees.

9. State legislatures establish machinery for following Federal legislation and for presenting State legislators' views at Congressional hearings.

**Intergovernmental Problems in Medicaid**

The Commission recommends that:

1. The Federal Government adhere to the 1975 legislative goal of comprehensive care for the needy and medically needy; but that it study the feasibility of broadening the financial base of Medicaid through more involvement of the private sector.

2. Congress amend Medicaid to extend from 1970 to 1972 the States' adoption of a Medicaid program provided that they submit a proposed State plan by 1971.

3. States continue to set standards of income eligibility, but Congress freeze the income limit for the medically needy at 150 percent of the AFDC level rather than letting it fall to 133 1/3 percent as scheduled.

4. Congress continue to appropriate for Medicaid on an “open-end” basis, that is, without limits on the amount that may go to any single State.

5. The Federal Government study the present allocation of fiscal responsibility among the levels of government, with special reference to the more limited resources of States and localities.

6. The Federal Government provide matching funds for the noncategorically related needy and medically needy.

7. Congress amend Medicaid to give States greater latitude in setting lien and recovery provisions.

8. Congress amend Medicaid to establish criteria for evaluating those parts of State plans governing limits on financial resources that medically needy recipients may retain.

9. Congress amend Medicaid to give States full discretion in determining...
whether and how the non-Federal cost shall be borne by localities.

10. The States eliminate constitutional and legislative barriers to the establishment of prepaid group practice of health care.

11. The Secretary of HEW rescind regulations requiring hospital reimbursements under Medicaid to be the same as under Medicare.

12. The States experiment with methods of increasing the efficiency of health services under Medicaid, such as (a) reimbursing hospitals only when they operate under acceptable standards, (b) expanding prior authorization for elective surgery, (c) payment for physicians' services on a basis other than usual and customary charges, (d) use of co-payments, and (e) improved utilization review.

13. Congress modify Medicaid to allow States to depart from the "comparability of services" requirement, subject to approval of the Secretary of HEW.

14. The States actively experiment with simplified methods for establishing financial eligibility for Medicaid, rather than the Federal Government's mandating the use of such procedures.

15. The President direct the Secretaries of Interior and HEW to clarify the relationship between Medicaid and medical services provided indigenous groups by HEW.
Taxation and Finance

Estate and Gift Taxes

The Commission recommends:
Amendment of the Internal Revenue Code to increase the credit against the Federal estate tax for inheritance and estate taxes paid to the States, such amendments to be effective with respect to any given State only after (a) State legislative action to shift the State tax from an “inheritance base” to an “estate base” and (b) legislative action adjusting State tax rates to assure that the effect of the increased credit would redound to the benefit of the State treasury rather than to individual Federal taxpayers.

Investment of Idle Cash Balances

The Commission recommends:
1. Where such authority does not now exist, enactment by States of legislation authorizing State and local governments to invest their idle funds in interest-bearing deposits with insured institutions and in obligations of the State or the Federal Government.*

2. Technical assistance by financial officers of the State governments to smaller local units of government with respect to the desirability of, and opportunities for the investment of idle funds.

3. Cooperative action by the U.S. Treasury Department and State and local finance officers designed to provide full and current information regarding the investment opportunities in short-term Treasury obligations, including exploring the desirability of special Treasury issues particularly designed to meet the needs of State and local governments. (Implemented by action of the U.S. Treasury Department in issuance of brochure entitled "Interest Bearing U.S. Government Securities Available for Investment of Short-Term Cash

*Mayor Celebrezze dissented.
Public Health Grants

The Commission recommends:

1. Amending the Public Health Service Act of 1944 to grant authority to States to transfer funds up to 33 1/3 percent among specific health categories of Federal grants-in-aid for tuberculosis, venereal disease, heart disease and cancer control, and general health services.* (Implemented by P.L. 89-749.)

2. Amending the Public Health Service Act of 1944 to place Federal grants-in-aid for the aforementioned categories under a single apportionment and matching formula instead of the different formulas now existing.** (Implemented by P.L. 89-749.)

Reassessment of Federal Grants-in-Aid

The Commission recommends:

1. The enactment by the Congress of a general statute, applicable to any new grants which may be enacted in the future, to provide that each new grant would be reenacted, terminated, or redirected at the end of 5 years, depending upon the results of a thorough reexamination of the grant by the cognizant legislative committees of the Congress.*** (Implemented by the Intergovernmental Cooperation Act of 1968, P.L. 577.)

2. Periodic review by congressional committees and executive agencies of the status of Federal grants-in-aid now in existence. (Implemented by P.L. 577.)

Legislative and Tax Jurisdiction
Over Federal Property

The Commission recommends:

*Congressman Fountain dissented.
**Secretary Flemming dissented.
***State Senator Cutler dissented.
1. Federal legislation (a) to authorize and direct, as the eventual objective, Federal agencies to retrocede legislative jurisdiction to the States over U.S. Government properties as rapidly and extensively as consistent with their essential needs; (b) congressional consent, as an interim step, to the imposition of taxes on privately owned real and personal property in Federal areas provided there is in effect a certification by an agency designated by the President that persons living and working in Federal areas are afforded substantially the same rights and privileges and tax-supported services as other residents of the State.

2. That the States enact legislation, if required, to enable them to accept jurisdiction.

3. That the President and Governors support implementation of the legislation.

Cooperative Tax Administration

The Commission recommends:

1. The enactment by the States of legislation authorizing the exchange of tax records and information among States and with the Federal Internal Revenue Service.

2. Joint action by the Treasury Department, the Council of State Governments, and the Commission's staff to identify those State and local records and types of information that are potentially useful for the administration of Federal income and other taxes.

3. Development by the States for submission to the Treasury Department and the Congress of a proposal for the admission of State and local tax enforcement personnel to training programs conducted by the Internal Revenue Service. (Implemented by P.L. 87-870.)

4. Favorable consideration by the Congress of legislation to authorize the Internal Revenue Service to perform statistical and related services for State tax agencies on a reimbursement basis. (Implemented by P.L. 87-870.)
Local Nonproperty Taxes

The Commission recommends State legislation:

1. Providing cities and adjoining jurisdictions in large metropolitan areas with uniform taxing powers and authority for cooperative tax enforcement.

2. Authorizing the addition of local tax supplements to State sales and income taxes where these taxes are used both by the State and a large number of local governments.

3. Permitting pooled administration of similar local taxes levied by numerous local governments.

4. Limiting local governments to the more productive taxes and discouraging the smaller jurisdictions from excessive tax diversity.

5. Providing State technical assistance to local tax authorities including tax information, training facilities for local personnel, access to State tax records and where appropriate, using sanctions against State taxpayers who fail to comply with local tax requirements.

Restrictions on Local Government Debt

The Commission recommends:

1. Maximum flexibility for local government borrowing with any governing State provisions being as comprehensive and uniform in character as possible.

2. Vestment of authority to incur debt with the governing bodies of local governments, subject only to a permissive referendum if petitioned by the voters and resolved generally by a simple majority vote.

3. Repeal of constitutional and statutory provisions limiting local government debt by reference to the local property tax base.*

4. Provision by the States of technical assistance to local governments regarding

*Mr. Michaelian and Mr. Burton dissented.
debt issuance and State prescription of the minimum content of public announcements of local bond offerings.

5. Consideration by the States of a substitute basis for the regulation of long-term local debt — namely, by reference to the net interest cost of prospective bond issues in relation to the prevailing yield of high quality municipal securities.*

**State Constitutional and Statutory Limitations on Local Taxing Powers**

The Commission recommends that:

1. As a general objective, all limitations imposed by the State upon local property tax rates be removed.

2. So long as tax rate limitations are retained the following guidelines be utilized by the States for interim liberalization of property tax limits:

   a. Statutory provisions are preferred to constitutional provisions.

   b. Use of full market value of taxable property as the basis is preferred to fractional assessed value.

   c. Limitations on local functions in general are preferred to singling out individual functions.

   d. Capital financing and debt service needs be excluded.

   e. Provision be made to enable local governing bodies to obtain relief from tax limitations either by reference to the electorate or administratively by a State agency.

   f. The electorate always have power to initiate referenda on proposed rate increases.

   g. If governing bodies and citizens are provided with the avenues of relief specified in e and f, then tax limits embracing all overlapping local taxing jurisdictions are preferred to single jurisdiction limits.

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*Mayor Clinton, State Senator Cutler and Mr. Burton dissented. Secretary Dillon reserved position.*
h. Home rule charter counties and cities be excluded from tax rate limitations.

3. In granting nonproperty taxing powers to local governments, beyond provisions granting home rule to local governments, the States enable local governments to use these taxes only \((a)\) where required in the interest of the desired distribution of the combined State-local tax burden among the several bases of taxation (property, income, consumption, etc.) and \((b)\) where needs cannot be met reasonably from available property tax sources or where property already bears an inordinate share of the tax burden.

4. Provisions relating to nonproperty taxing powers be by statute rather than frozen in constitutions, that such authorization be specific and that the electorate always have the authority to petition a vote on proposals for new nonproperty taxes.

The Role of the States in Strengthening the Property Tax

The Commission recommends that:

1. Each State take a hard, critical look at its property tax law and rid it of all features which cannot be administered as written, encourage taxpayers’ dishonesty, force administrators to condone evasion and which, if enforced, would impose an intolerable tax burden. Each State exclude from its property tax base any component it is unwilling or unable to administer competently.

2. Both legislative and executive branches of State government study the property tax as consistently as the other major sources of State-local revenue and treat it as an integral part of overall State and local financial planning. Adequate provision be made for continuing study and analysis in the research divisions of State tax commissions and tax departments and by the interim tax study committees, legislative councils, and legislative reference
bureaus of State legislatures, with workable liaison arrangements.

3. State constitutions be divested of all details that obstruct sound utilization and administration of the property tax.

4. No new changes in the property tax system, whether by exemption or classification, be undertaken without weighing the effect on facility of administration. Where administration has been needlessly complicated by such changes in the past, the defects be eliminated wherever feasible.

The Commission recommends that:

1. Each State require the regular assessment of all tax exempt property, compilation of the totals for each type of exemption by taxing districts, computation of the percentages of the assessed valuation thus exempt in each taxing district; and that publication of the findings be made, including the function, scope, and nature of activities so exempted.

2. Outright grants, supported by appropriations, rather than tax exemptions, be used with allowance for such exceptions as are clearly indicated by the public interest.

3. Where mandatory tax exemptions are extended to individuals for such purposes as personal welfare aid (the aged) and expressions of public esteem (the veterans), the States reimburse the local communities for the amounts of the tax "loss."

The Commission recommends that:

1. The States eliminate all requirements for fixed levels of assessment except for specifying the minimum assessment ratio (in relation to market value) below which assessments may not drop, and use for equalization and measurement purposes the annual assessment ratio studies conducted by their State supervisory agencies, as follows:

(a) The determined average level of assessments in each of a State's assessment districts to provide the basis for tax equalization in taxing districts located in more
than one assessment district and for equalizing State grants for schools and similar purposes.

(b) The determined figures for the market value of taxable property in each taxing district to be the base for all regulatory and partial tax exemption provisions now related to assessed valuations or valuations equalized at fractional levels.

2. The States use as high a floor as is feasible in setting minimum assessment levels.

The Commission recommends that:

1. Centralized assessment administration with more inclusive centralization when dictated by efficiency, be considered for immediate adoption by some States and for ultimate adoption by most States.

2. The State’s share in joint State-local assessment administration be vested in a single agency, professionally organized and equipped for the job, and headed by a career administrator of recognized professional ability and knowledge of the property tax and its administration.

3. In States in which tax administration is coordinated in a central tax department, the agency be a major division of that department; in States where organization for tax administration is diffused the agency be given due prominence as a separate department or bureau.

4. The State supervisory agency be responsible for assessment supervision and equalization, assessment of all State-assessed property, and valuation research, with adequate powers clearly defined by law.

The Commission recommends that:

1. The geographical organization of each State’s primary local assessment districts be reconstituted, to the extent required, to give each district the size and resources it needs to become an efficient assessing unit and to produce a well-ordered overall structure that makes successful State supervision feasible.
2. No assessment district be less than county-wide and when, as in very many instances, counties are too small to comprise efficient districts, multicounty districts be created.

3. All overlapping assessment districts be abolished to eliminate wasteful duplication.

The Commission recommends that:

1. The State supervisory agency be empowered to establish the professional qualifications of assessors and appraisers and certify candidates as to their fitness for employment on the basis of examinations given by it or of examinations satisfactory to it given by a State or local personnel agency, and to revoke such certification for good and sufficient cause. No person be permitted to hold the office of assessor or to appraise property for taxation who is not thus certified.

2. Assessors be appointed to office, with no requirement of prior district residence, by the chief executives or executive boards of local governments when assessment districts are coextensive with such governments and by the legally constituted governing agencies of multicounty districts; they be appointed for indefinite, rather than fixed, terms, and be subject to removal for good cause, including incompetence, by the appointing authorities.

3. State legislatures not prescribe or limit the salaries paid certified local assessors and appraisers.

4. State legislatures prescribe, or authorize the State supervisory agency to prescribe, and in either case authorize the agency to enforce minimum professional staffing requirements in all local assessment districts. Legislatures authorize the supervisory agency and any local districts to enter into agreements under which the agency will provide the district with specified technical services.

5. In any State establishing professional qualifications for assessors and appraisers, the State supervisory agency co-
operate with educational institutions in planning and conducting preentry courses of study, and conduct or arrange for regular internship training programs.

The Commission recommends that:

1. Each State determine by thorough research the minimum level of acceptable assessment performance and require the State supervisory agency to provide for appropriate assessment administration, at district expense, in those local districts that fail to meet the minimum standards.

2. In the instance of any class of self-assessed personal property, unless the local assessor is given adequate means to audit the declarations of the taxpayers, the property be assessed by the State or the tax on such property abolished.

3. State assessment be extended to all property of types: (a) which customarily lie in more than one district and do not lend themselves to piecemeal local assessment; (b) which require appraisal specialists beyond the economical scope of most local district staffs; and (c) which can be more readily discovered and valued by a central agency.

4. The division of assessment jurisdiction between State and local agencies be clear both to taxpayers and assessors.

The Commission recommends that:

1. The State agency responsible for supervision of property tax administration require assessors and other local officers to report data on assessed valuations and other features of the property tax, for such periods and in such form and content as it prescribes, in adequate detail to serve its needs for supervision and study. The agency publish meaningful digests of such data annually or biennially.

2. The State supervisory agency conduct, annually, comprehensive assessment ratio studies, in accordance with sound statistical procedures, of the average level of assessment and degree of uniformity assessment overall and for each major class.
of property, in all assessment districts of the State. The agency publish the findings of each study, both as to the quality and average level of assessment, in clear, readily understandable form.

3. States take all feasible steps to facilitate the compilation of comparable interstate property tax information by the Bureau of the Census, particularly by improving and standardizing their own collection, compilation, and analysis of essential data.

The Commission recommends that:

1. The present administrative-judicial hierarchy of agencies for assessment review and appeal in most States be objectively evaluated and reconstituted, as necessary, to provide the remedies to which taxpayers are entitled, but do not now receive under the uniformity provisions of State laws and the equal protection clause of the Fourteenth Amendment.

2. The review machinery provide for:
   a. A two-level organization, with both the local and State agencies serving only an appellate function and being professionally well staffed for that purpose; the State agency — either an administrative board or a tax court — to be separate from any State agency for property tax administration, be an appellate body to hear appeals from decisions of local review agencies and from central assessments by the State supervisory agency, and include a small claims division with a simple, inexpensive procedure; appeals from the State agency, but on questions of law only, be referred to the supreme court of the State.

3. To aid the taxpayer in proving inequitability in his assessment, (a) the State supervisory agency, follow sound statistical procedures, and make and publish the findings of annual assessment ratio studies which, in addition to serving the purposes of supervision and equalization, will inform the taxpayer of the average level of assessment in his district; and (b) the legislature provide that the assessment
ratios thus established may be introduced by the taxpayer as evidence in appeals to the review agencies on the issue of whether his assessment is inequitable.

Industrial Development Bond Financing

It is the Commission's finding that industrial development bond financing tends to impair tax equities, competitive business relationships and conventional financing institutions out of proportion to the contribution it makes to economic development and employment. The Commission recognizes the widespread and growing nature of this practice and the unlikelihood that it can be stopped quickly. A number of safeguards essential to minimize intergovernmental friction, should be adopted to insure that government resources used for industrial development bond financing bear a reasonable relationship to the public purpose served and that the governmental power employed is not diverted for private advantages.*

The Commission recommends that:

1. States restrict and regulate by law the precise conditions under which local governments may engage in this activity, as follows:

   (a) Subject all bond issues to approval by a State supervisory agency;
   (b) Restrict authority to issue such bonds to counties and municipalities; deny the authority to special districts;
   (c) Give priority to communities with surplus labor, outside the area of the effective operation of conventional credit and property leasing facilities;
   (d) Limit the total amount of such bonds which may be outstanding at any one time in the State;
   (e) Prohibit such financing for the "pirating" of industrial plants by one

*Senator Muskie and Speaker Lowman dissented.
State Financing and Loan Guarantees

Amend Internal Revenue Code Tax Exemption

community from another.

2. Local industrial development bond financing should be confined to rural areas. States desiring to stimulate employment in urban and industrial areas, can accomplish this best by a program of second mortgage loans to supplement local civic and conventional financing or by State guarantees of conventional loans.

3. The Commission finds the industrial development bond device particularly offensive when it is used to finance plants for strong national firms which themselves have access to adequate financing through conventional channels. The abuse is especially glaring when the firm itself acquires the tax exempt bonds issued to finance the plant it occupies, thus becoming also the beneficiary of tax exempt income. Therefore, the Commission recommends that the Congress amend the Internal Revenue Code so that the firms which buy the tax exempt bonds themselves cannot deduct as a business cost the rents paid for the use of industrial plants built with these bonds. (Implemented by the Revenue and Expenditure Control Act of 1968, P.L. 90-364.)

The Role of Equalization in Federal Grants

The Commission recommends that:

1. National policy considerations which require Federal grant programs require also that, with important qualifications, the distribution of Federal grants among the States take account of the relative inequalities in the fiscal capacities of the States (together with their local governments) in such a way as to facilitate the achievement of a more uniform level of minimum program standards in all States.

2. The equalizing aim of Federal grant distributions be limited to the functions and services specifically related to and involved in national objectives and only to the minimum service levels consistent with these national objectives.
3. Apart from several categories of grants, including (a) planning and demonstration grants, (b) stimulation grants, (c) grants to meet localized emergencies, and (d) grants which cover substantially all of the program costs, Federal grant distributions reflect the differences in the States' relative fiscal capacities to support the particular program or services at the required minimum level, subject to the overriding qualification that where program need is proportionate to relative State fiscal capacity the objectives of an equalization grant can be met without use of an explicit equalizing provision.

4. To the extent practicable, equalization provisions, introduced through both allocation and matching requirements, aim for a reasonable uniform level of a minimum program performance in every State; that uniformity in the mechanics of the equalization provisions be preferred over variety; and that statutory specification be preferred to administrative discretion.

5. Departments and agencies charged with the administration of Federal grant programs be required by the President to review periodically (a) the adequacy of the need indexes employed in their respective grant programs, and (b) the appropriateness of their equalization provisions and that this review be coordinated by the Bureau of the Budget.

6. The President, through his Executive Office, provide for the development of plans and procedures to assemble the data required for improving measures of State relative fiscal capacity and tax effort for use, to the extent practicable, on a government-wide basis and to collect and tabulate such necessary data on a continuing basis.

State-Federal Overlapping in Cigarette Taxes

The Commission recommends that:

1. The Governors direct their tax policy officials to explore with representatives
Adoption of State Income Taxes

Federal Tax Credit

The procedures that would be required to place the cigarette tax on a return basis at the manufacturing level in such a way that the burden on the industry would be minimized.*

2. The Treasury Department, Internal Revenue Service, participate in this exploration, which would include the potential scope of Federal-State administrative cooperation.

Intergovernmental Aspects of Documentary Taxes

The Commission recommends that:

1. Congress amend Chapter 24 of the Internal Revenue Code to repeal the stamp tax on conveyances, such repeal to be effective 3 years after its enactment.** (Implemented by P.L. 89-44.)

2. When the Federal tax on real estate transfers is repealed, those States without such a tax consider it for use at either the State or local level.

Federal-State Coordination of Personal Income Taxes

The Commission recommends that:

1. Those States without a personal income tax give early and careful consideration to incorporating it into their tax system and that those States employing a relatively ineffective income tax, strengthen it.***

2. Congress amend the Internal Revenue Code to give Federal income taxpayers an option to either (a) continue itemizing their income tax payments to State and local governments or (b) claim a substantial percentage of such payments as a credit

*Congressman Fountain registered further comment.
**Secretary Dillon abstained.
***Senators Ervin and Mundt, Governor Dempsey, Congresswoman Dwyer and Congressman Fountain dissented.
against their Federal income tax liability.*

3. The States bring their income tax laws into harmony with the Federal definition of adjusted gross income.

4. The Congress authorize the Internal Revenue Service and legislatures of States authorize their governors to enter into mutually acceptable agreements for Federal collections of State income taxes.

5. States continue to allow credits to their residents for personal income taxes paid to other States and States now allowing a nonresident credit repeal such nonresident provision.

6. The States adopt a uniform definition of "residence" for income tax purposes and State tax agencies be authorized to enter into reciprocal agreements to eliminate potential double taxation resulting from conflict in interpretation of "residence."

7. Taxation of personal income be done at the State rather than the local level but if local income taxes are also levied, they be authorized only in the form of a supplement to be administered with the State tax.**

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**Industrial Location and State and Local Taxes**

The Commission recommends that:

1. The President direct the appropriate Federal agencies to give early and favorable consideration to assembling on a continuing basis more timely and detailed geographical information on industrial location trends, including a breakdown among central city, suburban, and rural portions of Standard Metropolitan Statistical Areas.

2. States, by statutory enactment or administrative regulation, set forth enforceable physical presence rules to govern the

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*Secretary Fowler abstained, Governor Dempsey abstained from this and succeeding recommendations dealing with State income taxes.

**Representative Crank dissented in part.
jurisdictional reach of their income and sales tax administrators; further that the States, through collective action, strive to make such physical presence rules as uniform as possible.

3. States eliminate the tax on business inventories and either move the administration of the tax on other classes of business personality (notable machinery and equipment) to the State level or provide strong State supervision over the administration of the tax to insure uniformity and further that States reimburse local governments for the attendant loss in revenue by making more intensive use of State imposed business taxes.

4. States avoid policies calculated to provide special tax advantages or concessions to selected groups of business firms, and frame their business tax policies along general rather than special benefit lines.

5. States provide adequate technical assistance and supervision in local property tax assessments of business properties to insure uniformity of treatment.

Basic Structure of Fiscal Federalism

The Commission recommends that:

1. Congress and the Administration adopt a flexible combination of Federal financial assistance to States and localities to consist of categorical grants-in-aid, general functional block grants, and per capita general support payments. The Federal support payments, adjusted for variations in tax effort, could be made to either State or major local units of government; they should not conflict with any existing comprehensive State plan.*

2. Congress authorize the President to submit grant consolidation plans, such plans subject to veto by either House within a period of 90 days.

*Chairman Bryant, Secretary Fowler, and Mayor Naftalin dissented and registered further comment.
3. Congress and the President reduce the number of separate authorizations for Federal grants — as a general goal a reduction by at least half the number starting with consolidation in the fields of vocational education and water and sewer facilities.

4. Congress enact legislation, proposed by the Administration, to authorize a single grant application by State and local governments for interrelated projects and joint funding of projects containing components deriving funds from several Federal sources; and that the States enact similar legislation where necessary.

5. The Bureau of the Budget simplify and systematize the varied matching and apportionment formulas for existing grant programs.

6. A better balance in State and local tax systems be achieved by more effective local use of the property tax, the adoption of broad-based State taxes, and the shielding of basic family income from undue burdens of sales and property taxes.

7. The productivity of the sales tax be strengthened by protecting low-income families from undue tax burdens on sales of food and drugs.

8. The productivity of the local property tax be enhanced by State action to help localities in relieving low-income families from undue property tax burdens.

9. States seriously consider providing more constitutional flexibility for long-range State financing.

Metropolitan Fiscal Disparities

The Commission recommends that:

1. States remove constitutional and statutory barriers to greater private enterprise involvement in coping with urban problems and to enhance public-private cooperation.

2. Fragmentation of the local tax base be prevented by authorizing a State agency, subject to public hearing and court review, to consolidate or dissolve local tax divisions.
governmental units within metropolitan areas, to stop the use of inter-local contracts that contribute to fragmentation, and to reduce State aid to local governments not meeting statutory standards of economic, geographic, and political viability.*

3. Neighborhood initiative and self-respect be fostered by authorizing counties and large cities to establish, and at their discretion, to abolish, neighborhood sub-units endowed with limited powers of taxation and local self-government.

4. Cities and counties provide, without Federal aid, adequate funds and staff to improve their fiscal and program coordination of Federal grants.

5. Congress expand, to include all communities regardless of population, the current program of financial assistance for State establishment of urban information and technical assistance to small communities.

6. Federal, State and local financing of neighborhood information centers and referral services be authorized to orient in-migrants and others to the demands of urban society.

7. State school aid formulas be amended to reflect higher per pupil costs for disadvantaged children, especially in densely populated areas; amendment to Elementary and Secondary Education Act to authorize use of available grant funds in support of such action.

8. States authorize regional school property taxing districts to assist in equalizing the property tax burdens of school financing between central cities and suburbs.**

9. States authorize and provide financial aid for specialized educational facilities on a multidistrict basis.

10. Federal Government encourage and provide financial assistance for multidis-

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*Governors Rhodes and Rockefeller dissented.

**Governor Rockefeller dissented.
trict educational arrangements.*

11. A national system of social accounts be established, with special emphasis on the development of such data for individual cities, counties and Standard Metropolitan Statistical Areas, as well as State and national aggregates.

12. Internal Revenue Service expand its statistical reports on income to provide data on individual units of local government within Standard Metropolitan Statistical Areas.

13. Existing or new nongovernmental organizations establish data facilities to measure comparative performance levels of local governmental units for the major urban functions. This effort should look toward setting optimal standards, and collecting, analyzing and publishing data.

Administration of Federal Categorical Aids

The Commission recommends that:

1. Coordination of Federal grant programs being administered by a variety of Federal departments and agencies be strengthened through the Executive Office of the President.

2. The authority to review and approve plans developed as a condition of Federal formula-type grants to State and local governments be decentralized to Federal regional offices and the wide variations in boundaries of Federal administrative regions be reduced.

3. Federal Executive Boards be brought under Bureau of the Budget supervision and at least one full-time staff member be provided for each of the major Boards. (Partially implemented by Presidential Memorandum, August 13, 1969.)

4. The President establish a computerized information system for grant administration, formulation of intergovernmental fiscal policy and management purposes; Congress should establish a similar system for review of grant programs and

*Congressman Fountain did not concur.
for other legislative purposes and tapes and other data produced from such systems be made available to State and local governments.

5. Congress authorize the Comptroller General of the U.S. to certify State auditing systems and those systems of local governments receiving sizable grants directly from Federal agencies, in lieu of fiscal audits by Federal agency personnel.


7. Congress enact general legislation, consolidating insofar as possible into a single enactment, those planning requirements to be applicable to existing and future grant programs.

8. Congress revise Section 701 of the Housing Act of 1954, to strengthen comprehensive planning at State, regional, metropolitan and local levels, and to require review and comment by State planning agencies of project proposals impinging upon State or local comprehensive plans. The Commission took no position on assignment of responsibility within the Federal Government for financial assistance to State and local planning activities.

**State Aid to Local Governments**

The Commission recommends that:

1. States assume responsibility for substantially all financing of local schools, with opportunity for limited local financial supplement and assurance of retention of appropriate local policymaking authority.*

2. Until such time as the States have assumed substantially full responsibility for

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*Mr. Daniel, Congressman Fountain, Commissioner McDonald, and Congressman Ullman dissented. Senator Mundt abstained.
financing local schools, they should extend additional financial assistance to those school districts handicapped in raising sufficient property tax revenue because of extraordinary municipal and county expenditure demands.

3. The Federal Government assume complete financial responsibility for all public assistance programs, including medicaid, with States and local governments continuing to administer the programs.**

4. States build greater equalization into their aid programs for local health and hospital services and facilities, taking into account the variations in local fiscal capacity.

5. The Federal-Aid Highway Act be revised to provide a financial incentive to encourage greater State development of a coordinated urban and rural highway system, with special recognition of the needs for mass transportation facilities in urban areas.

6. Urban States extend financial assistance for the acquisition, improvement, and operation of mass transportation facilities.

7. States restructure their highway aid programs to recognize more directly urban highway needs and variations in local fiscal capacity.

8. States amend their constitutional and statutory "antidiversion" provisions to permit the application of highway user funds to broad transportation needs including mass transportation.


10. States prescribe guidelines for assessing the ability of local units of government to provide essential public services and facilities.

*Congressman Fountain, State Senator Knowles, Commissioner McDonald, and Congressman Ullman dissented. Secretary Romney and Budget Director Mayo abstained.
11. State grant-in-aid legislation include performance standards such as minimum service levels, client eligibility, and guidelines for citizen participation where appropriate.

12. State aid programs require that aided facilities and services conform to local, regional, and statewide comprehensive plans.

Eligibility of State Legislative Agencies for Federal Research Grants

The Commission finds that the type of research conducted by State legislative committees and agencies ordinarily has not been eligible for financial support through Federal research grants; however, on those occasions where a research proposal submitted by a committee or agency of a State legislature, pursuant to its rules, is found to be of outstanding scientific merit and of significant potential social benefit with an interstate impact, the Commission believes that Federal support of such a project should not be withheld only because the applicant happens to be a State legislative committee or agency.

In light of the fact that policy and practice is not now consistent among agencies of the Federal Executive Branch, the Commission recommends the issuance of an appropriate communication from the President to departments and agencies setting forth criteria under which State legislative committees and agencies should and should not be admitted as eligible competitors for Federal research grants.**

*Mayor Blaisdell dissented.
OTHER ACTIVITIES

The statute charges the Commission with studying and making recommendations for the allocation of governmental functions, responsibilities, and revenues among the several levels of government. Closely associated with this responsibility is that of giving critical attention to conditions and controls involved in the administration of Federal grant programs, discussion and study at an early stage of emerging public problems requiring intergovernmental cooperation, and the coordination and simplification of tax laws and administrative practices to achieve a more orderly fiscal relationship among the levels of government. The studies and recommendations of the Commission so far have involved in varying degrees the discharge of all these responsibilities.

The Act also directs the Commission to bring together representatives of Federal, State, and local governments for the discussion of common problems and to provide a forum for the administration and coordination of programs requiring intergovernmental cooperation. These responsibilities are being discharged through the operation of the Commission itself and the close contact maintained with many organizations, groups, and individuals concerned with intergovernmental relations through attendance at meetings, co-sponsorship of conferences, consultation, addresses and publication of articles. Additionally, however, the statute provides both explicitly and implicitly for the performance of certain other functions by the Commission.

Review of Legislation

The statute directs the Commission to make available "technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system." The Commission responds to formal and informal requests of congressional committees, individual members of Congress, and the Bureau of the Budget with regard to the intergovernmental aspects of legislation under active consideration by the Congress or in the process of being developed. The Commission has responded similarly to the executive and legislative branches of State government. Where the Commission has taken a position on a question, formal comments are provided over the signature of the Chairman of the Commission. In other cases where the questions involved are of a technical nature the Commission's staff consults
informally with congressional staffs or the representa-
tives of Federal agencies with regard to proposed
legislation under consideration. At the State level, the
Commission consults with legislative service agencies,
legislators, and with representatives of the State execu-
tive branches.

Metropolitan Statistics

Government administrators in metropolitan areas and
scholars engaged in research on various aspects of
metropolitan area problems have become increasingly
concerned regarding the lack of adequate economic and
other statistical data covering metropolitan areas and
minor subdivisions thereof. Typically, these data are
collected and published on the basis of individual
governments and cannot always be assembled on an
economic area basis. The Commission consults with
Federal and State agencies regarding the ways in which
statistics on population, housing, labor, governments and
economic activities might be made more available and
useful to those engaged in metropolitan area planning. In
1962, it published A Directory of Federal Statistics for
Metropolitan Areas, a work now being kept up-to-date
by the Bureau of the Census.

Clearinghouse and Informational Activities

The Commission has constituted itself as a central
clearinghouse for information on the many complex
aspects of intergovernmental relations. As part of this
general purpose, it acts as a coordinating center for the
further study of intergovernmental problems.

The Commission has (1) assembled selective infor-
mation on the more crucial intergovernmental problems,
(2) identified the major sources of information in order
to serve as a convenient reference point, and (3)
prepared monographs summarizing presently available
but relatively inaccessible data in Federal agencies and
other sources which will help other levels of government
to solve their financial and administrative problems.

The Commission's library has served as a depository
function for several collections of material on intergov-
ernmental relations and increasing use of its facilities is
being made by agencies, associations, and scholars. An
acquisitions list is regularly distributed and specialized
bibliographies have been prepared. One of the most
widely distributed is a bibliography of Catalogs and
Other Information Sources on Federal and State Aid Programs.

In addition to the reports issued by the Commission making recommendations for legislative or other action by one or more levels of government, reports and other materials of an informational character are prepared. For example, summaries of State fiscal data and of State tax legislation are prepared by the staff for the use of Commission members and others.

To help carry out the Commission’s responsibilities as a clearinghouse of information on matters of intergovernmental concern the Commission in April 1968 inaugurated an “ACIR Information Bulletin” service. Its purpose was to make available to key governmental officials and others information on intergovernmental matters that otherwise might not be called to their attention. The bulletins are issued from time-to-time as circumstances warrant.

Intergovernmental Advisory Service

The Commission provides an Intergovernmental Relations Advisory Service to Federal, State, and local officials and to public interest groups on problems of intergovernmental relations. Publications are available on studies of specific intergovernmental problems undertaken at the direction of the Commission.
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The following publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402:

The Role of the States in Strengthening the Property Tax, June 1963. Report A-17. Volume II. Summarizes the actions of individual States to meet their property tax responsibilities. ($1.25.)

State and Local Finances: Significant Features, 1966 to 1969. November 1968. Report M-43. Updates previous information reports on State and local finances. Identifies significant features of State and local fiscal structures and suggests characteristics of a "high quality" State and local tax system. ($2.25.)

Publications available from the Clearinghouse, U.S. Department of Commerce, Springfield, Virginia 22151. Paper copies—$3.00; microfiche (4" x 6" sheet) — $.65:


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