

So that I would still hope that the demonstration aspect would be one of the principal criteria against which these proposals would be evaluated.

Mr. MOORHEAD. Would the gentleman yield?

Mr. ST GERMAIN. Yes.

Mr. MOORHEAD. I would like to ask, what about a city that has already done its planning? Would you say that it would be proper for it to submit a detailed plan and request a grant for an action demonstration, not necessarily to go through this planning request stage? Or is that not your understanding?

Mr. FAY. It is my understanding that the basic proposals would be reviewed first to make sure that everybody was considered on a fairly equal basis, and that when the groups were selected from those submitting basic proposals, then the city which has its homework done could come in very much more quickly. And it is our feeling that perhaps they might within a few weeks or not more than a very few months be ready to go.

But I would not think that it would be desirable at this beginning stage for a city to come in with its preparation in great depth unless they have it all ready, because even if you have a good staff and a lot of data it still would cost money to prepare such a proposal.

Mr. ST GERMAIN. Mr. Fay, the Secretary testified to this procedure, that they would pick out the 60 or 70 cities, and then after planning funds were available it would probably be a year before they came in with detailed plans. Once again I repeat, it is almost a foregone conclusion that these cities, once initially chosen, once they complete their plans, and these plans are implemented—I say to you, do you feel that this method is a method that is going to best achieve the result of the demonstration cities where we have no assurance that a great many of these smaller cities will be chosen?

You talk about an across-the-board situation in your testimony on page 4. We feel that cities of various sizes with different type problems and different locations should be the cities chosen as demonstration cities, so that having a class or category subsequently we will have an example to look at? It seems to me as though we don't have much assurance of the fact that we are going to get good demonstration city plans from a lot of these cities, under this particular procedure.

Mr. FAY. Here again, Mr. Congressman, the original selection would be based on the—

Mr. ST GERMAIN. The seven or eight guidelines?

Mr. FAY. Yes, the very general kind of proposal.

And then when the Secretary considered and evaluated the demonstration capabilities of the entire group, at that point he would authorize the execution of a contract for the planning grant that would permit them to develop the kind of carefully worked out and detailed programs that would provide the guide for the conduct of the demonstration.

Mr. ST GERMAIN. I guess I will have to let that one go.

You state that you feel that once again 60 or 70 cities should be concluded, and further down you break down the \$2.3 billion. If you are going to have expert planning for those 60 or 70 cities, and you are going to have a variety of sizes and types of cities, I think you also agree that the funds are not very realistic at the \$2.3 billion authorization, even if it were completely appropriated it would be doubtlessly