CONGRESS OF THE UNITED STATES, JOINT ECONOMIC COMMITTEE, SUBCOMMITTEE ON FISCAL POLICY

SCHEDULE OF HEARINGS ON REVENUE SHARING AND ITS ALTERNATIVES: WHAT FUTURE FOR FISCAL FEDERALISM?

(July 31, August 1, 2 and 3)

*All sessions to be held in room S-407, The Capitol, at 10:00 a.m.*

*Monday, July 31.*—Lessons of Experience: Federal, State and Local. James A. Maxwell, Professor of Economics, Clark University; Clara Penniman, Professor of Political Science, University of Wisconsin; L. Laszlo Ecker-Racz, Formerly with Advisory Commission on Intergovernmental Relations; Paul Ylvisaker, Commissioner, Department of Community Affairs, State of New Jersey.

*Tuesday, August 1.*—Fiscal Projections and Their Policy Implications: Fiscal Surpluses: State and Local Needs and Resources. C. Lowell Harriss, Professor of Economics, Columbia University; Lawrence R. Kegan, Director of Special Studies, Committee for Economic Development; Dick Netzer, Professor of Economics, New York University.

*Wednesday, August 2.*—Future Fiscal Options: Revenue Sharing and/or Tax Credits. Walter W. Heller, Professor of Economics, University of Minnesota; Joseph A. Pechman, Director of Economic Studies, The Brookings Institution; Herbert Stein, Vice President and Chief Economist, Committee for Economic Development; Melville J. Ulmer, Professor of Economics, University of Maryland.

*Thursday, August 3.*—Future Options: Other Options for Fiscal Federalism. George F. Break, Professor of Economics, University of California, Berkeley; Lyle C. Fitch, Institute of Public Administration, New York, N.Y.; Richard P. Nathan, The Brookings Institution; Harold M. Somers, Professor of Economics, University of California, Los Angeles.

Representative GRIFFITHS. Throughout our history, our government system has been marked by collaboration between the Federal Government and the States and localities. In recent years, there has been increasing discussion and agitation pointed toward altering the form and magnitude of these cooperative arrangements. Some plead for an increase in the traditional categorical grants-in-aid to which conditions are attached. Others ask either for conversion of the conditional grants-in-aid to block grants of unconditional revenue, or for new grants of this character. Some suggest other remedies for what they believe to be the ills of our Federal system on the fiscal front.

What are the facts? Are States and localities really bereft of the fiscal resources to carry out their functions? Is the problem one of lack of resources at the State and local levels, or, is it inefficiency in the use of available resources? Are the categorical, conditional grants made by the Federal Government inadequate in magnitude or are the conditions so onerous as to impede their proper utilization by State and local governments? Would our economy and our State and local governments be healthier if the Federal Government used some of its growing revenue for aid at the State and local level, or would it be more efficient to make tax reductions at the Federal level and to reform the tax structure in such ways as to promote private initiative in solving problems, in the process providing the enlarged tax base to support needed government functions at the State and local levels?

As we begin these hearings, I wish to call attention to the fact that related studies are underway by other subcommittees of the Joint Economic Committee.

The Subcommittee on Economic Progress, under the chairmanship of Representative Wright Patman, has been investigating the needs of States and localities for capital projects over the next decade and the adequacy of financial markets to provide the resources above and beyond those provided from tax revenues.