

I wonder if the Secretary of the Department of Transportation ought not to be consulted on these types of grants as a better means of coordinating the transportation with urban development.

Mr. BOYD. We are in complete accord with this reservation, and we expect to be consulted.

One of the things we will work out in our memorandum of understanding is exactly how we keep this flow of information going back and forth between the two Departments. We haven't got that organizational aspect tied down yet, but we fully expect, and we understand, that we will be fully informed of all the activities of HUD in this area, just as we expect to keep them informed of all of the activities of transportation which impinge in any way on the urban society.

Mr. EDWARDS. So, you are aware of this and you are looking to this problem in your memorandum of understanding?

Mr. BOYD. Yes, sir.

Mr. EDWARDS. Would the same be true of that part of section 1605 (b) where the Secretary of Transportation is given the authority to undertake research and development, demonstration projects relating to urban transportation that will carry people and goods within metropolitan areas without polluting the air and in a manner that will contribute to sound city planning?

I presume that you will also work together on that, then?

Mr. BOYD. I think, if I may say in one fairly short sentence, we have a complete agreement and meeting of the minds that our functions are complementary and not competitive, and we expect to proceed on that basis.

Mr. EDWARDS. I think that is a reasonable way to do it. I think we ought to agree you can't write everything into the original plan.

Under the Demonstration Cities Act HUD can grant funds to cities to plan and develop and carry out comprehensive demonstration and development programs including transportation facilities.

How will this be administered after the reorganization?

Mr. WOOD. Essentially, the progress we established that was for the model cities program has been one of the collaboration among the agencies involved, the Federal agencies involved from the beginning. Plans developed by the cities or their model neighborhoods that have components, grant programs or that have activities that fall under the missions of other departments are immediately referred to those departments for review.

Interagency coordinating arrangements have been, I think for over a year, in effect here. We expect that any aspect or component of a model city plan that bears on the responsibilities of DOT, if it is part of the supplemental funds, it doesn't require financing by them for information and reaction; if it is part of an agency's funds, that will require assistance on their part, for their funding.

Mr. EDWARDS. Pursuant to the summary of HUD and DOT positions on major reorganization plan issues, that was dated February 19, I believe, the Department of Transportation apparently intends to grant to the Housing and Urban Development Department the authority to pass on the adequacy of highway planning.

It also appears that HUD's recommendations will be considered by DOT as a formal step in determining whether highway projects are needed or essential to carry out a unified and coordinated transporta-