(A) expansion of the coverage of State and local employees under existing merit standards, the establishment of merit standards where they do not now exist, and the further improvement of existing systems

based on merit principles;

(B) establishment of statewide personnel systems to meet the needs of urban, suburban, or rural governmental jurisdictions that are not able to provide sound career services, opportunities for advancement, adequate retirement and leave systems, and other career inducements to well-qualified professional, administrative, and technical personnel;

(C) making of State grants to local governments;
(D) assessment of State and local government needs for professional, administrative, and technical manpower, and for the initiation of timely and appropriate action to meet such needs;

(E) improving one or more major areas of personnel administration, such as recruitment and selection, training and development, and pay

administration:

- (F) research and demonstration projects to develop and apply better personnel administration techniques, including both projects conducted by State and local government staffs and projects conducted by colleges or universities or other appropriate nonprofit organizations under grants or contracts;
- (G) improving the recruitment, selection, assignment and development of handicapped persons, women, and members of disadvantaged groups whose capacities are not being utilized fully;

(H) achieving the most effective use of scarce professional, adminis-

trative, and technical manpower; and

(I) intergovernmental cooperation in personnel administration, with respect to such matters as recruiting, examining, pay studies, training, education, personnel interchange, manpower utilization, and fringe benefits.

## LOCAL GOVERNMENT PROGRAMS AND GRANTS

Sec. 204. (a) The Commission is authorized to make grants to general local governments, or combinations of such governments, that serve a population of 100,000 or more, for up to 75 per centum of the cost of developing and carrying out programs and projects to strengthen the personnel administration of such governments. Such grants may be made only if, within one year from the effective date of the grant provisions of this Act, a State has not submitted and had approved under section 203 of this Act an application for a grant providing adequately for assistance in strengthening the personnel administration of local governments within the State.

(b) A grant authorized by subsection (a) of this section may be made to a general local government on application to the Commission at such time or times and containing such information as the Commission may prescribe. To be approved, the application must meet requirements similar to those established in section 203(b) of this Act for a State application for a grant unless any requirement is specifically waived by the Commission. Such grants to a general local government may cover the costs of developing the program or project set forth

in the application. The Commission may-

(1) waive, at the request of a general local government, the one-year waiting period, unless the State concerned declares, within ninety days from the effective date of the grant provisions of this Act, an intent to file an

application for a grant that will include the local government; and

(2) make grants to general local governments, or combinations of such governments, that serve a population of less than one hundred thousand if it finds that such grants will help meet essential needs in programs or projects of national interest and will assist general local governments experiencing problems that result from their location in an area of rapid urbanization, in a metropolitan area, in a transportation corridor, or in a similarly critical

## INTERGOVERNMENTAL COOPERATION IN RECRUITING AND EXAMINING

SEC. 205. (a) The Commission may join, on a shared-costs basis, with State and local governments in cooperative recruiting and examining activities under such procedures and regulations as may jointly be agreed on.