

Third. Authorize the Federal departments and agencies to render technical assistance and training services to State and local governments on a reimbursable basis;

Fourth. Establish a coordinated intergovernmental urban assistance policy, by requiring local government review of certain applications for Federal aid in urban programs. This provision would serve to strengthen metropolitan planning machinery and encourage more orderly metropolitan growth; and

Fifth. Prescribe a uniform policy of procedure for urban land transactions and use undertaken by the General Services Administration, by requiring consistency of that agency's policies with local zoning regulations and development objectives.

As I mentioned, the Senate unanimously adopted a bill which contained these five provisions. That bill had been introduced with 42 cosponsors, and had drawn broad support from many sources, including national organizations and public officials at all levels of government. Unfortunately, the House of Representatives did not take final action on this measure.

Therefore, the bill I am introducing today contains, in titles I through V and title VII, the measure which received the unanimous consent of the Senate in the last Congress. This is a proposal of utmost importance in the improved functioning of the federal system, particularly as grant-in-aid programs affect that system. It contains all the provisions of H.R. 17955 of the 89th Congress, which the House Subcommittee on Executive and Legislative Reorganization reported to its parent committee in the last week of the 89th Congress. It also includes title V—the Senate-approved provision for periodic review of grant-in-aid programs by the Congress, which the House measure omitted. I believe this provision is a sound management technique which is badly needed and of critical importance to the overall grant system.

CONSOLIDATION OF CATEGORICAL GRANT PROGRAMS

Title VI of the bill I am introducing today contains a new proposal designed to improve the management of grant-in-aid programs. Briefly, it would authorize the President to submit to the Congress plans for the consolidation of individual categorical grants within broad functional areas and to effect the interagency transfer of administrative responsibility for grant programs, subject to the type of congressional veto proviso that governs executive reorganization plans. This proposal would involve the submission to Congress of categorical grant consolidation plans, including such modifications in apportionment formulas and allocation requirements as the President deems necessary. The Congress would accept the plans or disapprove them in a manner similar to that provided in the Reorganization Act of 1949.

Mr. President, Federal grants-in-aid are unquestionably essential and effective methods of financing and administering essential programs to achieve national objectives. But, because their number and variety have increased so rapidly in recent years, the need for coordination in their administration is persistently acute. It was pointed out, in recent hearings before the Subcommittee on Intergovernmental Relations, that over 220 Federal grants-in-aid to assist State and local governments are now administered by 16 of the 21 departments and agencies of the Federal Government. We have 50 different programs to aid general education; 57 programs for vocational and job training; 35 programs involved in housing; more than 20 programs involving transportation; 27 for utilities and services; 62 for community facilities; 32 for land use; 28 for recreational and cultural facilities.

One relatively simple example of the problems which a number of similar categorical grants produce may be found in Federal grant programs for community water supply, sewer and sewage treatment facilities. Five agencies of the Federal Government are presently involved in administering such grants:

- First. The Farmers Home Administration in the Department of Agriculture;
- Second. The Department of the Interior's Federal Water Pollution Control Administration;
- Third. The Economic Development Administration of the Department of Commerce;
- Fourth. The Appalachian Regional Commission (for communities within that Commission's jurisdiction); and
- Fifth. The Land and Facilities Development Administration of the Department of Housing and Urban Development.