

tions in this area, and tend to further implement those of the Joint Committee on the Organization of the Congress.

We hope these comments will assist the Subcommittee in its deliberations on this proposed legislation. I should like to make clear that in the submission of these comments, I am speaking only for the Advisory Commission and not for the President or the Administration.

Sincerely yours,

FARRIS BRYANT,
Chairman.

COUNCIL OF ECONOMIC ADVISERS,
Washington, April 6, 1967.

HON. EDMUND S. MUSKIE,
Chairman, Subcommittee on Intergovernmental Relations, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR SENATOR MUSKIE: As you requested we have reviewed S. 458 and S. 735, bills "to provide for periodic congressional review of Federal grants-in-aid to States and to local units of government."

We find ourselves in sympathy with the proposal calling for evaluation of grant-in-aid programs after several years of experience. But we hesitate to support an arbitrary review and termination date for each program not otherwise covered by a termination date.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

GARDNER ACKLEY.

GENERAL SERVICES ADMINISTRATION,
Washington, April 6, 1967.

HON. EDMUND S. MUSKIE,
Chairman, Subcommittee on Intergovernmental Relations, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR SENATOR MUSKIE: Your letters of February 28, 1967, requested the views of the General Services Administration on S. 458 and S. 735 of the 90th Congress, similar bills to provide for periodic congressional review of Federal grants-in-aid to States and to local units of government.

These bills relate to programs to be enacted by future Congresses for grant-in-aid assistance by the Federal Government to States or their political subdivisions; provide expiration dates for the authorization of such grants; and require the review of such programs by appropriate committees of the House and the Senate on or before June 30 of the calendar year preceding the year in which such programs will expire. Committee reports covering such studies would show the extent to which the purpose for which each grant was authorized has been met, whether the recipient can carry on without further Federal assistance, and whether changes in purpose or direction should be made. S. 458 would also vest centralized responsibility in the Comptroller General to review presently existing and all future programs for such grant-in-aid assistance and submit to the Congress reports and recommendations concerning the effectiveness of the programs.

With the enactment of Public Law 88-383, GSA has at this time one program for grant assistance to States and local agencies and to nonprofit organizations and institutions. These grants, which will terminate on June 30, 1969, are to assist in the financing of recipients in the collecting, describing, preserving and compiling, and publishing of documentary sources significant to the history of the United States. However, we do not believe that payments under this program would be determined to be "grants-in-aid" under these bills in that section 7(3) (ii) (6) of S. 458 and section 4(c) (B) (vi) of S. 735 exclude "payments under research and development contracts or grants which are awarded directly and on similar terms to all qualifying organizations, whether public or private."

Inasmuch as we do not expect that the enactment of either S. 458 or S. 735 would substantially affect any programs of the General Services Administration, we defer to the views of the interested Federal departments and agencies as to the merits of the proposed legislation.