

DEPARTMENT OF THE ARMY,
Washington, D.C., September 28, 1967.

HON. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to S. 735, 90th Congress, a bill "To provide for periodic review of Federal programs of grant-in-aid assistance to the States." The Department of the Army has been assigned responsibility for expressing the views of the Department of Defense.

This bill, which if enacted, would be cited as the "Federal Grant-in-Aid Review Act of 1967," would establish procedures for review of grant-in-aid program authorizing assistance from the Federal Government to two or more States or their political subdivisions. All future programs, unless the enacting statute specifically provides otherwise, shall expire on June 30 of the fifth calendar year which begins after the effective date of the enactment of such program. The bill provides for a specific review by the Congress for such programs as are authorized over a period of three or more years. This review would be conducted during the period beginning not later than twelve months immediately preceding the date on which such authority is to expire and the results of committee investigation and study would be reported not later than one hundred and twenty days before such authority is due to expire. In the case of existing statutes authorizing the establishment of programs for grant-in-aid assistance over a period of three or more years to two or more States or their political subdivisions, each standing committee of the Senate and House of Representatives which exercises legislative jurisdiction and oversight over such programs would review and study, on a continuing basis, the application, operation, administration, and execution of such program, and would submit, not later than March 31 of each year, a report on its activities during the immediately preceding calendar year. The studies both for future and existing programs shall be conducted to ascertain whether the purpose for which such future grants-in-aid would be authorized have been met, the extent to which such programs can be carried on without further Federal financial assistance, the extent to which such program is adequate to meet any growing and changing needs related to the purposes for which it was originally designed and whether any changes in purpose, direction, or administration of the original program should be made.

The Department of the Army, on behalf of the Department of Defense, has no objection to S. 735. With respect to the details of this bill, this Department defers to other agencies more directly concerned, that is, those administering grant programs, for example, the Departments of Health, Education, and Welfare, Housing and Urban Development and Transportation.

The fiscal effects of this legislation are not known to the Department of Defense.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

STANLEY R. RESOR, *Secretary of the Army.*

DEPARTMENT OF THE ARMY,
Washington, D.C., December 7, 1967.

HON. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations,
U.S. Senate.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to S. 458, 90th Congress, a bill "To provide for periodic congressional review of Federal grants-in-aid to States and to local units of government." The Department of the Army has been assigned responsibility for expressing the views of the Department of Defense.

This bill would provide that all programs of grants-in-aid (authorized by the Eighty-ninth or any subsequent Congress) from the Federal Government to tw