

All of these grant-in-aid programs are now subject to periodic review by legislative committees of Congress. In the case of the Federal-Aid Airport Program, authorizations have been made for from two to five years, lately for three year periods. Thus, every three years the program is reviewed on its merits and in total by the Senate Commerce Committee and the House Interstate and Foreign Commerce Committee. The highway programs, with the exception of the Interstate Highway Program, are subject to biennial review and authorizations are made for two years at a time. And while authorizations for the Interstate Program are made for more than two or three years, the program is subject to Congressional review when the Public Works Committees biennially consider the apportionment formula to be applied in that program. Thus, all of the grant-in-aid programs administered in this Department are subject to more frequent review than the five-year review contemplated in S. 458 and S. 735. Therefore, the underlying purpose of these bills, to assure that grant-in-aid programs not go on indefinitely without a periodic reexamination of their justification, is already well served and in a manner involving a more frequent review than those bills propose.

In addition, the termination of authority to make grants-in-aid at the expiration of five years would seriously restrict even programs with authorizations for under five years. For example, the Federal-Aid Airport Program was last extended in P.L. 89-647, October 13, 1966. The authorization was for FY 1968, 1969 and 1970. These funds are available until expended.

Under the proposed S. 458 as applied to P.L. 89-647, the funds authorized for 1968 would be available only for four years. The funds for 1969 would be available for three years and those for 1970 for two years. The authority to obligate any funds authorized under P.L. 89-647 would expire June 30, 1971, under section 2 of S. 458.

In this connection, funds apportioned among the states pursuant to section 6(a) of the Federal Airport Act remain available for projects in the respective states for two fiscal years. Any funds remaining unobligated at the expiration of the two-year period are added to the Discretionary Fund pursuant to section 6(c), and are then available for projects in all the states. Several of the less populous states are unable to utilize the full amount of funds apportioned to them under the state apportionment formula. The apportioned funds excess to these states' needs, therefore, lie idle and may not be used until the third year after they first become available. Under the five-year limitation as now written in section 2 of S. 458, unused State Apportionment Funds in the 1970 authorization could never be applied for needed projects. Unobligated State Apportioned Funds in the 1969 and 1968 authorizations would be available for needed projects only one year and two years, respectively.

These limitations would seriously limit our ability to carry out the intended purposes of this program.

Accordingly, the Department of Transportation opposes the enactment of legislation providing automatic termination dates for grant-in-aid programs generally.

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

Sincerely,

JOHN L. SWEENEY,
Assistant Secretary for Public Affairs.

AGENCY REPORTS ON S. 2981

OFFICE OF THE SECRETARY OF TRANSPORTATION,
Washington, D.C., March 1, 1968.

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

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department concerning S. 2981, a bill "To provide temporary authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for the operation of those projects, and for other purposes."

Essentially the proposal would increase joint funding and simplify the administration of grants and contracts where programs or projects are funded from