

The purpose of S. 698 is to make more workable the machinery of our Government through achieving the fullest possible cooperation and coordination of activities at the Federal, State, and local levels in, as the bill phrases it, "an increasingly complex society."

To achieve this purpose the bill as introduced is designed to: (a) improve the administration of grants-in-aid to the States, title II; (b) permit provision of reimbursable technical services by the Federal Government to State and local governments, title III; (c) establish coordinated intergovernmental policy and administration of grants and loans for urban development, title IV; (d) Title V, provide for periodic congressional review of grant-in-aid programs; (e) title VI, authorize the consolidation of certain grant programs; (f) title VII, provide for the acquisition, use, and disposition of land within urban areas by Federal agencies in conformity with local government programs; (g) title VIII, establish a uniform relocation assistance program, and (h) title IX, establish a uniform land acquisition policy for direct Federal and federally aided programs.

Finally, the measure as recently amended by Senator Muskie would aim at improving the accounting, auditing, and financial reporting requirements associated with Federal assistance funds.

The present legislation before this subcommittee is the direct lineal descendant of previous congressional consideration over the last several years of intergovernmental cooperation acts, all of which have been sponsored by the chairman of this subcommittee.

Last year the Advisory Commission on Intergovernmental Relations requested our assistance in developing an intergovernmental cooperation act. After discussions with the various affected Federal agencies and with the Advisory Commission, agreement was reached on a measure transmitted by the ACIR containing five titles which are identical or substantially similar to corresponding titles of S. 698.

My testimony today will also take into account this measure as it relates to the relevant titles of S. 698.

Previous Bureau testimony in 1965 and 1966 emphasized the growing importance of cooperative federalism reflected in the significant enlargement of Federal aid to State and local governments to deal with problems of national concern.

In the fiscal year 1969, the total of Federal grant programs dealing with national goals in a joint endeavor by Federal, State, and local units of government will exceed \$20 billion. In that fiscal period, such Federal financial assistance to State and local governments under existing and proposed programs will total an estimated \$20.3 billion, of which there will be net expenditures of \$15.5 billion from regular budget accounts and \$4.8 billion from the highway and unemployment trust funds.

Senator MUSKIE. I would like to ask a question at this point, Mr. Hughes. Do you have any idea of the amount of State and local matching funds which are added to the \$20 billion of Federal funds under these programs?

Mr. HUGHES. We do have estimates, Mr. Chairman. We may have some fairly precise figures. I know we have data on this. I would be very happy to furnish it for the record. I don't believe we have data on the States' share with us.

Senator MUSKIE. I think we have made some rather wild guesses