

c. Duplication of reporting requirements and controls which are established by State and local governments will be avoided, and Federal agencies should rely wherever possible on internal or independent audits performed at the State or local level as provided in Budget Circular No. A-73, dated August 4, 1965.

d. Except as may be required by law or special circumstances, agency regulations dealing with like matters (e.g., allowable costs, definitions of like terms, and procedures and information needed for determining eligibility in like cases) will be consistent both internally and with practices of other agencies.

4. *Coverage.*—This Circular applies to regulations and revisions thereof which implement a Federal assistance program that includes among its eligible recipients State or local governments or quasi-public agencies (e.g., public housing or urban renewal agencies) and directly affect—

- a. Interstate relationships;
- b. Intergovernmental relationships (e.g., State-local and interlocal);
- c. Types of eligible recipients;
- d. Designations of agencies within State or local government;
- e. Requirements affecting State or local personnel;
- f. Organizational, planning, or fiscal activities of State and other governments; or
- g. Roles and functions of heads of State or local governments.

5. *Procedures for informing State and local government associations of proposed new or revised regulations.*—

a. The issuing agency will provide to the ACIR a copy and a summary of the proposed regulation. As a norm, this should be done not less than 45 days before the intended date of promulgation. If special legal or other circumstances do not permit sufficient time for such notice and comment, the agency will advise the ACIR of the time available and provide at least a summary or abstract in lieu of the full draft text of the regulation.

b. The ACIR will promptly transmit copies of the agency materials to each of the following State and local government associations: National Governors' Conference, Council of State Governments, International City Managers' Association, National Association of Counties, National League of Cities, and United States Conference of Mayors.

c. Unless an earlier response is required, the State and local government associations desiring to comment will transmit their views within three weeks after receiving the summary, addressing comments to the Federal agency concerned through the ACIR.

d. If requested by either the Federal agency concerned or by a State or local government association, the ACIR will arrange a meeting between representatives of the agency and the association (along with State or local chief executives or their representatives, where desirable) to consider modifications of the proposed regulation.

e. The agency will supply a copy of the regulation, when published, to the ACIR.

f. To see that these provisions are carried out, each agency should promptly designate one responsible official, and inform the Bureau of the Budget and the ACIR as to the name of the official.

6. *Additional functions of the ACIR.*—

a. The ACIR is prepared to assist agencies in developing new regulations covered by this Circular and will assist in assuring that regulations dealing with like matters are consistent, as provided in paragraph 3(d).

b. By January 31 of each year, the ACIR will make a report to the Director of the Bureau of the Budget concerning operations under this Circular. Copies of the report will be furnished to each agency and to the associations representing general units of State and local government.

7. *General considerations.*—This circular deals with only one aspect of the President's policy on intergovernmental consultation: the development of regulations relating to Federal assistance programs. The Circular is not intended to limit the consultation process to this aspect of the intergovernmental problem. Well in advance of the stage of promulgating formal regulations, consultation should be pursued actively with heads of State and local governments; and to this extent the burden of consultation requirements will be spread instead of concentrated at the stage of issuing regulations.

It is not intended that all proposed regulations or revisions will be automatically channeled through the procedure called for in this Circular; no purpose would be served by creating congestion and delay. Judgment must be exercised by the agencies and by the State and local governments in applying the Circular;