

Title VI of the bill would authorize the President to follow a procedure based on the Reorganization Act of 1949 in proposing the consolidation of grant-in-aid programs. There is undoubtedly a continual need to focus the attention of the Congress and the executive branch on opportunities for combining related grant programs, especially those that are too narrowly defined.

The finest example we have in recent years of consolidating grants to form a more flexible and effective grant program is the Partnership for Health Act. This act consolidated upwards of some 15 small and specific categorical health programs into a single authorization, appropriation and set of requirements. Under it, each State now has maximum discretion in providing health services in the light of its own special needs. It may be instructive, however, that this major reform was accomplished through the conventional legislative route. This route was also followed with the somewhat more limited, but potentially significant consolidation in last year's economic opportunity amendments of a number of federally assisted work and training programs.

We are not certain that title VI as drafted adequately deals with the problem. The language authorizes modifications of grant-in-aid formulas but does not deal with related matters of consolidated grant administration, such as eligibility to receive funds, planning requirements or program coverage. We therefore defer to the Bureau of the Budget on the approach taken in this title.

I am glad to report that earlier this month the Department of Housing and Urban Development took action to consolidate the administration of three of its programs designed to bring about a positive commitment by the States to the urban development problems of communities, and to strengthen the management capability of State and local governments. This reorganization brings the urban information and State technical assistance program and the community development training program under one roof with the long established section 701 planning assistance program. These three closely linked programs of technical assistance, training and planning are now consolidated administratively under our Assistant Secretary for Metropolitan Development. We are already working on a number of steps that will permit us to translate this Federal administrative action into improved and simplified procedures. One of these, as Governor Connally indicated in his testimony for the National Governors Conference and the Council of State Governments, is a single application covering State aids under the three programs.

The provisions of title VII are designed to assure that the Federal Government, in its real property acquisition and disposition procedures, takes account of local land use controls and planning objectives. We are, of course, in basic agreement with this objective.

It is, however, worth noting that from an urban development standpoint, the significance of this title is necessarily dependent upon the quality of the local land use controls and planning. And in connection with disposition activities particularly, the most notable area for intergovernmental cooperation may extend well beyond the minimum standards of this title—and involve, not conformity of land disposition to current local regulations and objectives, but the establishment by the locality of new regulations and objectives that will enable Federal surplus land to be used in new and imaginative ways.