

committee, you endorsed the bill, saying that it would encourage needed cooperation in program development at the State and local level and help improve coordination among Federal programs and make them more responsive to State and local needs and assist in eliminating unnecessary administrative burdens and paperwork. Your department has many programs in which the techniques and procedures set out in this bill might be applicable. I wonder if you could give us some examples of the way in which specifically this bill, if enacted, would help achieve the objectives you have noted. I would like, if possible, for you to relate your answer to the model cities program and the neighborhood center program.

Mr. FRANTZ. Yes, sir.

Senator, as I think we tried to indicate in our reply, the Department has been working administratively to attempt to achieve results that are along the lines of the proposed bill. The model cities program is perhaps the most directly in-point case, because a model cities project may involve undertakings in which a considerable number of Federal departments and agencies may have an interest, either direct or indirect, and may have funds involved, either in large or small amounts, in an undertaking which the model cities law contemplates should be packaged and should be related to a planned set of local objectives. That requires the kinds of work between the departments, both at the Federal level and at the regional level, and ultimately at the city level, that Assistant Secretary Taylor was describing.

Now, in connection with the neighborhood facilities program HUD is primarily concerned in making grants for a physical structure to be located in the neighborhood. But of course, the purpose of the structure is to serve the people of the neighborhood, and in terms of size and in terms of physical design and in terms of location, it has to be considered in terms of the social service programs which are supported by other departments and agencies. So, again it has the aspects of being a joint venture.

Now, I think that we have achieved a moderate degree of success in working both at the local level and at the Federal level in developing cooperative relationships for timing funding, for timing contractual relationships, for working out, let us say, a joint audit program so that there is a single audit made rather than a whole series of disconnected audits. And this, as I say, can be done to a degree administratively.

We do feel that the enactment of this legislation would show a congressional interest and a congressional sanction which would provide both a push at the Government level and an invitation at the local level, to work along these lines and to develop systems that would be easier for both them and us.

Senator MUSKIE. Really, this bill, like some provisions in S. 698, is aiming at the block grant idea eventually.

Mr. FRANTZ. It moves in that direction, certainly, yes, sir, although the provisions of the bill, as you know—

Senator MUSKIE. Would not carry you that far.

Mr. FRANTZ. They do not carry it that far, that is right. They retain a capability to track the dollars back to a categorical grant purpose in the originating legislation.

Senator MUSKIE. Thank you very much.

Senator Hansen may have some questions to submit which he would like you to answer.