

TITLE V—CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID TO STATES AND THE LOCAL UNITS OF GOVERNMENT

The need for and importance of Congressional review of government programs is an accepted fact. Department of Health, Education, and Welfare grants are, in effect, reviewed through several methods: (1) The consideration of amendments to authorizing legislation frequently requires a fresh look at the basic laws, (2) There are time limitations in most of the basic enabling legislation requiring Congressional action (for extension) and therefore review, (3) The budgeting and appropriation process provides an annual mechanism for the evaluation of the cost, efficiency, and performance of programs, (4) Advisory councils charged with the comprehensive evaluation of programs have been established by Congress for a number of our major grant programs.

I concur in the views of the Bureau of the Budget that periodic reviews of grant programs by the Comptroller General or other bodies as specified in Title V would not be as effective or serve the same purpose as reviews by the substantive congressional committees.

Based on our experience in the Department of Health, Education, and Welfare I do not see the need for the provisions of Title V. It proposes authority which Congress already has for fixing the duration of grant programs and procedures for review of them.

I am also concerned about the provision for the automatic termination of programs at the end of five years. The variations and complexities among our many grant programs are such that no arbitrary period of duration is appropriate for all of them.

I would like to suggest as an alternative to Title V—or as an addition, in any case—a program which would authorize appropriations for one additional year if legislation to authorize a program's extension was neither enacted nor rejected by the beginning of the fiscal year of the program authorization. This would provide lead time for orderly Federal, State and local planning. This recommendation is essential, in my opinion, if we are to improve the stability of Federal-State-local fiscal, administrative and program relationships.

In addition I would like to suggest that any Congressional review of legislation of limited duration ought to be completed at least one year in advance of the expiration of program authority.

TITLE VI—CONSOLIDATION OF GRANT-IN-AID PROGRAMS

Title VI constitutes a new alternative to the current methods used for consolidation of grant-in-aid programs. It would authorize the President to follow a procedure based on the Reorganization Act of 1949 which would result in the submission of a grant consolidation plan to the Congress where it would be subject to the type of veto that presently applies to expensive reorganization plans.

Our Department has been active in seeking to achieve a strengthened partnership with State and local governments by supporting grant consolidations which recognize the vital role played by our State and local units and their need for increased grant-in-aid flexibility. The enactment of the Partnership for Health program, P.L. 89-749, and the concepts embodied in title II of the proposed Partnership for Learning and Earning Act of 1968 are recognition of the need for consolidation and improvements in narrow categorical aid programs.

Our deepest concern about title VI is that it would limit Congressional action to either approval or veto of complex grant consolidation proposals put forth by the President.

We believe the present system of a broader consideration of such legislative proposals has many advantages. In our experience, the amendments made as a result of congressional committee reviews have been a major contribution to the improvement of grant-in-aid legislation.

While this Department favors the objectives of title VI, we believe these objectives can be better accomplished by other means.

The first of these we have already mentioned—the normal legislative process. The other would be to introduce the flexibilities embodied in S. 2981 which would significantly overcome the impediments resulting from the multiplicity of narrow categorical grants.