

the impact of federally supported assistance programs on the State administrative structure and ways of coordinating funding, coverage, and administration of aid programs; a Center for Community Planning has been established in the Department of Health, Education, and Welfare and the Bureau of the Budget series of Executive Orders A-80-85 provide for review procedures by State and local government before agency regulations are published in final form. An official of HUD reported to a group of municipal officials recently that the department has reduced the processing time of 17 grants-in-aid by 50 percent. Just recently, the New England Planning Administrators Conference learned from the regional HUD staff that an experimental approach to block grants has been developed with the State of Colorado 701 funding. This effort to give the State planning staff some direction and flexibility in their dealings with local planning officials is significant.

The bill would also help deal with the crisis in governmental organizations created by the city problem. The Advisory Commission on Intergovernmental Relations has issued a thoughtful and powerful warning that the crisis in American cities is creating a crisis in the American governmental structure. As cities in turmoil turn to the Federal government for aid, the Commission fears that under the strain of emergency conditions both cities and States will increasingly allow the Federal government to assume many responsibilities that local governments traditionally have carried, and if properly assisted, could continue to carry. Before the balance in the present Federal structure is upset, it is essential that steps be taken to ensure that all levels of government will be strong partners in providing public services.

The States have an important role in supporting local programs designed to meeting pressing needs. Yet there has been considerable pressure to bypass the States in meeting local needs. We understand that the Advisory Commission on Intergovernmental Relations will soon undertake a study of State aid programs. Such a study should serve a very useful purpose in clarifying the important role that State governments must play in supporting effective local programs.

In money terms, States have already dramatically increased the level of support. A recent study by the Tax Foundation shows that State aid programs in support of education, highways, welfare, general government, housing and a host of other functions has tripled from \$6.5 billion to \$16.8 billion at present, an amount almost equivalent to the total Federal aid available to State and local governments. In New England, each of the States has substantially increased its support of local government functions during the same period. Connecticut leads the way with a 248% increase, followed by New Hampshire, Rhode Island, Maine, Massachusetts and Vermont. Connecticut's commitment makes it the fifth highest on a national basis.

The National Governors Conference, in its study of Federal-State relations, has urged that: all further Federal-local assistance programs be drafted so as to include the participation of State governments; existing Federal grant-in-aid programs which bypass State governments, be amended to provide for State participation; and the Federal government shall allow those States which have the interest and develop the capacity, to coordinate federally aided programs at the State level within broad and basic national goals.

This extensive background comment is simply to make the point that action by Congress on the pending bill is highly desirable this year if we are to make further progress in dealing with some of the difficult problems outlined above.

In this connection, we would like to submit these specific comments on the titles of principal interest to the Council (titles II, IV, V, VI, and X):

Title II would provide needed assistance to government officials, particularly relating to the use of grant-in-aid funds and the timely transfer of funds to the States. Also important is the provision eliminating the "single state agency" concept to permit greater flexibility in the States' development of counterpart programs. However, the language of section 201 which places the responsibility of obtaining financial data upon the Governor and the Legislature should be revised to require mandatory reports to be submitted to the Governor and the Legislature by all Federal agencies administering grants-in-aid in the State. Further, these reports should cover all governmental and non-governmental jurisdictions. Such a report is now submitted on a quarterly basis by the Department of Housing and Urban Development to the Governors. This provision would go a long way toward clearing up the information gap which currently exists.

The provisions of title III providing for the reimbursement by State and local governments of technical services appear to contain adequate safeguards for the private consultant.