

We would agree with the objectives of title IV and the intention expressed in sections 401 (b) and (c), to take into account all viewpoints at all levels of government and that all Federal aid for urban development be consistent with and further the objectives of State and local government comprehensive planning. These provisions appear to be the key to minimizing problems which result from bypassing of State government. However, the consultative mechanism required of Federal departments and agencies in section 401(d) should involve appropriate participation of State and local officials. Perhaps the process visualized in the Comprehensive Development Planning, Programming, and Coordination Act of 1967 offers a solution.

We also believe that it is important as provided by section 402, to require that Federal departments and agencies shall favor units of general local government. Unfortunately, this is not the case in the "Joint Funding Simplification Act of 1969". Grant-in-aid programs should, if anything, encourage the reduction in the number of units of local government. At the same time, efforts should be made to recognize interstate compact agencies, intrastate and regional agencies developed by units of general government.

Titles V and VI provide significant authority to review, evaluate and consolidate Federal grant-in-aid programs. The Congress in discharging its responsibilities should benefit from the experience of the Comptroller General and the recommendations of the Advisory Commission on Intergovernmental Relations. We believe further thought should be given to how the Congress can staff itself to effectively do this work. One suggestion which merits attention is to authorize each committee of Congress to retain a professional staff person to serve as a review specialist. It is to be hoped, however, that whatever approach is adopted, Congress will take a broad comprehensive view of programs and priorities.

The authorization in title VI of the procedure allowing the President to use the same powers granted by the Reorganization Act of 1949 represents an advance toward the improvement of intergovernmental relations that can be best measured by enactment. This significant power not only places upon the Chief Executive the burden of putting into effect administrative improvement which inevitably would flow to him from his staff, but also places Congress on notice that it, too, must exercise its legislative powers effectively. The President has already demonstrated the workability of this method by the transfer of urban mass transportation grant programs from the Department of Housing and Urban Development to the Department of Transportation. We assume that this authority will be carefully directed to matters of internal organization of existing executive branch functions.

We believe that the new title X represents an important step forward by allowing Federal agencies, at long last, to accept the accounting and auditing methods of State and local governments. This provision should not only simplify auditing procedures, but there is merit in granting recognition to the competency of State and local accounting and auditing procedures.

In conclusion, we believe the pending bill should be enacted. It should be noted that the Interstate Relations Committee of The New England Council has established a special subcommittee to undertake an intensive study of Federal-State-local fiscal relations. This study will provide a means to acquaint The Council's membership with various aspects of this important problem and will be a means to provide a continuing review of many of the matters which are the subject of the pending legislation.

Very truly yours,

A. THOMAS EASLEY,
Executive Vice President.

STATEMENT OF THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS ON S. 698,
INTERGOVERNMENTAL COOPERATION ACT OF 1967

(Submitted by Bill B. Cobb, budget director, Texas, and president of the National Association of State Budget Officers)

The National Association of State Budget Officers is an affiliate of the Council of State Governments comprised ex officio of the state budget officers of all fifty States and the commissioners of finance and administration in those States where this official is superior to the budget officer. The Association is much interested in many of the provisions contained in the Intergovernmental Cooperation Act of 1967, and I am pleased to testify in support of the principles of that act.