

lion ceiling, supposedly there is that \$475 million for this bonding program, right?

Governor ROCKEFELLER. Right.

Mr. CRAMER. But New York has no guarantee of getting any portion of that under the bill as written?

Governor ROCKEFELLER. That is exactly right.

Mr. CRAMER. The only limitation at all is 10 percent maximum, which you obviously have reason to question coming from one of the largest States.

AN OPEN-ENDED COMMITMENT

Governor ROCKEFELLER. Of course it is a new concept really here where the Department of Interior would have the right to issue guarantees. These would be obligations on the Congress over which, as I read the law, the Congress would have no control. For the first time you are just going in the opposite direction in the welfare programs, and you put a ceiling on aid to dependent children, the number of children, which is the first time since 1935 where these open ended arrangements have had a ceiling put on them, so in a sense this is inconsistent with the action taken in the welfare field where you are stopping open ended commitments and want to get a fixed obligation here.

This is opening a new open end commitment and removing Congress' capacity to determine the amount for any one year to be spent.

Mr. CRAMER. As a matter of fact the Treasury Department becomes so adamant to this approach that they just give us the grant program—

Governor ROCKEFELLER. I think so.

Mr. CRAMER. And they have no obligation to continue the grant program if they want to absorb the full \$700 million for the bond issue program, as I read it.

Governor ROCKEFELLER. It really gets down to this whole question of how much it is worth to them to get rid of tax-exempt bonds as a basic philosophy and concept.

Mr. CRAMER. My Chairman has informed me that our time is up. I thank you very much, Governor.

Governor ROCKEFELLER. May I just say one thing, Mr. Chairman—

Mr. BLATNIK. Yes.

Governor ROCKEFELLER. —in relation to a remark that the Congressman made.

I believe in States' rights very strongly, but I also believe that in order to preserve them, States must assume their responsibilities.

Mr. CRAMER. With that I agree, yes.

Governor ROCKEFELLER. This proposed legislation would prevent us very importantly from assuming our responsibilities.

Mr. CRAMER. I was not taking issue with you. I was complimenting you.

Governor ROCKEFELLER. Thank you, sir.

Mr. BLATNIK. Mr. Clausen.

Mr. CLAUSEN. Thank you, Mr. Chairman.