



ADVISORY
COMMISSION ON INTERGOVERNMENTAL RELATIONS
WASHINGTON, D.C. 20575

19th Annual Report
ACIR: The Year in Review

The Advisory Commission on Intergovernmental Relations
Washington, D.C. 20575 January 1978

ACIR: THE YEAR IN REVIEW

In the 18 years since it was created by the Congress, the Advisory Commission on Intergovernmental Relations (ACIR) has developed a formidable collection of policy recommendations, research reports, and model legislation on such subjects as the governance and structure of metropolitan areas, urban growth policies, state-local tax policy and fiscal relationships, federal aid administration, and state and local functional assignments. The primary purpose of this work is to offer alternatives to correct major malfunctions in our federal system by building stronger states, revitalizing local government, and ensuring that federal actions complement rather than conflict with subnational plans, policies and programs.

In 1977, ACIR's findings and recommendations on intergovernmental structural, functional and fiscal issues were of particular interest because economic and fiscal stresses continued to pressure all government levels, particularly our central cities. Moreover, officials at all levels began to recognize and understand that a shift in the balance of our federal system was underway -- one that was quite contrary to trends over the past decade. And, taxpayers registered increasing concern about the size, costs and benefits of government at all levels.

ACIR Operation

The Commission is a 26-member national, bipartisan body established by Congress in 1959 to identify and examine intergovernmental problems

and to make recommendations for improving the federal system. Because of its representation of the executive and legislative branches of all three levels of government, as well as the private sector, and because of its unique status as a permanent, independent body, ACIR is able to bring a range of political, philosophical and practical viewpoints to bear on intergovernmental problems, and to forge recommended remedial actions which are forward-looking and feasible.

The work of ACIR progresses in three stages: staff research undertaken at the direction of the Commission; policymaking by the Commission; and efforts by both the Commission and its staff to urge the adoption of policy recommendations.

The Commission determines the research agenda, basing its choices on the members' own wide-ranging experiences, observations, and contacts; and on staff evaluations of intergovernmental issues. Once an issue is selected, staff conducts "thinkers' sessions" to help define the scope, methodology, and issues to be investigated. "Critics' sessions" are scheduled near the completion of a research project to avoid errors of omission or bias in the draft report prepared for the Commission. Participants in these working sessions usually include Congressional staff, representatives of appropriate government agencies, public interest group spokesmen, members of the academic community, and representatives of relevant civic, labor, and business associations. When staff work is completed, the results are presented to the Commission. The Commission debates the findings, conclusions, and policy options at public sessions, and normally adopts policy recommendations.

The Commission recognizes that, as a permanent body, its mandate is not merely to study the operations of the federal system, but also to seek to improve it. Therefore, the Commission believes that its contributions should be measured largely by its actual achievements in bringing about significant improvements in the relationships among federal, state, and local governments. For that reason, it devotes a significant share of its resources to encouraging and facilitating the consideration of its recommendations for legislative and administrative action by governments at all levels through draft legislative proposals, technical assistance, and other implementation activities.

Completed Work

During 1977, the Commission adopted a number of recommendations in three major areas: the intergovernmental grant system, state mandates on local governments, and the impact of tax exempt federal land on local government.

Intergovernmental Grant System. The Commission completed action on a three-year project analyzing the intergovernmental grant system. The 1977 focus was on examining the block grant mechanism in theory and in practice; probing the growth, problems and potential of categorical aid programs; and articulating a five point "intergovernmental strategy" for the entire federal grant-in-aid system.

The Commission analyzed four (health, criminal justice, community development and manpower) of the five block grants. During its review, the Commission found, for example, that block grants possess two built-in sources of major tension. The first is between the

authorizing Congressional committees and the administering agency; the second is between that agency and the recipient jurisdiction. Further, while none of the block grants is "pure" in form, each possesses certain common traits which permit the block grant designation, such as broad functional scope, formula-based apportionment, and significant recipient program discretion. Based on its assessment, the Commission identified specific fiscal, functional and political conditions under which the block grant should be used; pointed out ten basic traits which should be considered during the development of block grant legislation; urged Congress to abstain from recategorizing block grant programs during the reauthorization process; recommended that, as a general principle, states should have a key planning and administrative role in block grant programs; and urged that block grant planning "piggyback" on existing areawide general purpose planning bodies wherever possible.

Given the complexity and confusion associated with categorical aids, the Commission's research on these programs required a substantial amount of time and effort. Among its major findings are that: in absolute dollar terms, categorical assistance expanded more than six fold between 1960 and 1976, passing the \$45 billion mark in the latter year; while the number of categorical grant programs has grown steadily over the last ten years — reaching a total of 442 funded programs in FY 1975 — it is well below the 1000-1600 figure frequently cited; and state and local governments still raise many of the same complaints about categorical programs as they did a decade ago, but certain shifts — such as the growing concern about

the lack of funding certainty and the emergence of new grant "strings" — are notable. The Commission recommended several actions to ameliorate the problems associated with categorical assistance including consolidation of closely-related programs, a "sunset" review process, advance funding, assessment of matching and allocational provisions, and a review of all new and existing general laws superimposing broad non-programmatic conditions and controls on grant recipients.

In December, the Commission "stepped back" and appraised the experiences and changes in grants-in-aid over the past decade, and assessed their significance in terms of the federal system. The Commission formulated a five point intergovernmental strategy calling for efforts to simplify and standardize federal grant procedures and requirements; the merger of over 400 federal grants-in-aid into a smaller number of consolidated grants; a careful assessment of regulatory standards and procedures prior to their enactment to minimize their negative impact on recipients; an on-going evaluation of the achievements, short-comings and impacts of federal grant programs; and a reexamination of federal, state and local roles in the delivery of domestic services and programs.

State Mandates. In September, the Commission turned its attention to an important intergovernmental fiscal and political issue: state mandates on local government. State mandating of local government services and programs increasingly has become an irritant in state-local relations. While these mandates are justified in many instances, they raise distinctly intergovernmental issues centering on the division of authority and

financial responsibility between state and local governments. Stated simply: state mandates substitute state priorities for local priorities.

In calling for a state policy of "deliberate restraint," the Commission identified the need for action in eight areas including the definition and cataloging of all mandates and their fiscal impact; a continuing review of mandates affecting program and service levels, and personnel; state reimbursement, or full or partial financing for certain types of mandates; and such safeguards as fiscal notes, and appeal and adjustment provisions.

Tax Exempt Federal Land. Federal ownership of vast acreage has given rise to local claims for compensation for lost taxes and imposed burdens. These claims have been countered by contentions that this ownership provides offsetting direct and indirect benefits. In September, the Commission addressed these issues, and suggested several actions regarding federal compensation programs. Specifically, the Commission recommended that: the existing federal payments-in-lieu of taxes program be retained; currently designated recipients not be changed; appropriate federal officials be authorized to grant additional compensation to eligible counties which meet certain "hardship" criteria; adjustment payments be authorized to respond to revenue losses from federal land acquisitions or sharp reductions in receipt sharing payments; restrictions on the local use of federal compensation payments be removed from National Forest receipt sharing payments; and states examine the impact of state-owned land and buildings on local governments and compensate those units for adverse fiscal effects.

Implementation Activities

National Efforts. Federal action is key to successful implementation of many of ACIR's policy recommendations. Thus, one facet of the Commission's implementation activities, which was expanded and systematized in 1977, is the area of federal relations. Specifically, these activities encompass: (a) identifying and tracking the progress of key federal legislative and administrative actions which will impact upon the intergovernmental system; and (b) identifying appropriate opportunities to transmit Commission recommendations during the legislative and administrative decision-making processes. While the majority of federal implementation efforts are the responsibility of the Policy Implementation Section, the staff of both research sections as well as the Executive Director, the Chairman, and Commission members participate to varying degrees depending on the nature of the activity.

As in the past, Commission members and staff testified frequently before Congressional committees in 1977. Topics included the reorganization of the Law Enforcement Assistance Administration (LEAA), cigarette bootlegging, state legislative oversight of federal funds, "sunset" legislation, community development, and the fiscal condition of central cities.

The Commission's series on the intergovernmental grant system produced several timely recommendations in light of the growing interest in the Congress, White House, and Executive Branch departments

and agencies in more effective policies and processes for managing federal grant programs including:

- o LEAA - in June, a Department of Justice Study Group issued a report recommending changes in the LEAA program. ACIR commented on the report in correspondence with the Attorney General and in testimony before the House Subcommittee on Crime. ACIR also responded to Congressional requests for assistance in developing alternative legislative proposals, assisted the General Accounting Office (GAO) in its study of LEAA activities, and monitored the work of the President's Reorganization Project (PRP) task force focusing on LEAA.
- o COMMUNITY DEVELOPMENT - the Commission testified before the House Subcommittee on Housing and Community Development during its reauthorization hearings on the community development block grant program.
- o GRANT REFORM - ACIR worked with several Congressional offices and the White House regarding grant reform proposals including the Intergovernmental Coordination Act of 1977, the Federal Grant and Cooperative Agreement Act, and the Federal Program Information Act (approved late in the year). ACIR also developed two legislative proposals -- a "Federal Assistance Consolidation Act" and a "Federal Assistance Administration Reform Act."

Several other areas of federal implementation activity warrant mention:

- o Federal interest in cigarette bootlegging has increased significantly since the Commission issued its report Cigarette Bootlegging: A State AND Federal Responsibility in May. Over 20 bills were introduced in Congress dealing with potential remedies, with many reflecting enforcement provisions recommended by the Commission. ACIR participated in hearings before the Senate Subcommittee on Criminal Laws and Procedures, and worked closely with various tax and public interest groups in urging the Administration to reconsider its opposition to federal enforcement legislation.
- o ACIR was involved in various Administration and Congressional efforts directed toward the development of an "urban strategy." Specifically, ACIR assisted the Urban and Regional Policy Group in its deliberations, appeared before the House Subcommittee on the City, drafted various memoranda on intergovernmental problems and strategies for the Carter transition and White House staffs, assisted the White House Office of Intergovernmental Affairs with its evaluation of federal aid administration, aided various departmental intergovernmental relations office staffs, and prepared background materials for the White House Conference on Balanced Growth and Economic Development.

- o ACIR provided advice and assistance to the Office of Management and Budget to review and amend certain management circulars, particularly A-95 and A-85.
- o ACIR provided assistance to the Civil Service Commission Task Force on Federal, State and Local Interaction in Personnel Management with respect to identifying appropriate -- and inappropriate -- roles for the federal government in improving state and local personnel management and in mandating various personnel practices.
- o ACIR reviewed and commented on numerous legislative proposals referred by Congressional committees and the Office of Management and Budget.

In addition, the Internal Revenue Service (IRS) issued draft regulations permitting states to empower IRS to collect state taxes. This "piggybacking" process would implement a long-standing ACIR recommendation. And in April, the Department of Defense announced it would implement an ACIR recommendation calling for the withholding of state income taxes from military personnel paychecks.

State Efforts. ACIR recommendations for state action are translated into suggested legislative language for consideration by state legislatures. These draft proposals are made available to Governors, state legislative leaders, state administrative officials, other state and local policymakers, and interested citizens. Efforts to implement ACIR legislation at the state level in 1977 generally took two forms: wide distribution of Commission recommendations to public officials; and direct technical assistance, provided upon request.

Utilizing the experience and the contacts of the previous year, ACIR distributed numerous model bills together with appropriate supporting material. Staff rendered technical assistance at the request of a least 43 states during the year, up from 41 states in 1976 and 38 states in 1975. That assistance involved preparing special materials, modifying ACIR draft bills to meet specific conditions, testifying before legislative committees; and working with citizen study commissions, state agencies, legislative committees, legislative drafting offices, and Governors' staffs.

Examples of ACIR's state technical assistance activities in 1977 include: assisting the Idaho Governor's Task Force on Local Government and the Delaware Intergovernmental Task Force; testifying before the City Council of the District of Columbia (and assistance to at least a dozen states) on the issue of state legislative appropriation of federal funds; aiding several states in adapting ACIR model legislation for a state criminal justice planning agency; assisting the Minnesota Government Services Study Coordinating Committee; providing information and assistance to several states interested in establishing a state-level ACIR; assisting the Kentucky Municipal Statute Revision Commission; providing information on sunset legislation and zero-based budgeting to over a dozen states and localities; assisting the Champaign-Urbana Study Commission on Intergovernmental Cooperation; providing information on regionalism to officials in South Dakota, Georgia, and several other states; and assisting Maryland legislative officials during their consideration (and subsequent adoption) of full disclosure legislation.

Other Activities. ACIR staff also presented papers and commentary on its work, or undertook implementation activities at over 50 conferences, policy workshops, and other national, state and local forums in 1977. Additionally, the Commission sought formal support for its recommendations or implementation assistance from various organizations of state and local officials, such as the National Governors' Association; the Council of State Governments; the National Conference of State Legislatures; the National Association of Counties; the National League of Cities; the U.S. Conference of Mayors; the International City Management Association; state leagues of municipalities and associations of counties; citizens groups; business, professional and labor organizations; taxpayers' leagues; bureaus of government research; and other public and private interest groups.

During 1977, Commission staff was involved with several international activities, including assisting officials in Australia with the establishment of a 22-member Advisory Council for Inter-government Relations modeled on the ACIR. In addition, the Commission Chairman participated in a government-sponsored mission to the Far East to meet with officials on American federalism; and the Assistant Director for government structure and functions attended a conference on federal/state relations and devolution in the United Kingdom sponsored by the Ditchley Foundation. At the request of the United States Information Agency (USIA) and other official agencies, staff also met with visiting officials from Brazil, Canada, Belgium, Mexico, Norway, Germany, Australia, Iran, Italy, Scotland, and

the European Economic Community (Common Market) on intergovernmental and federalism issues.

Information Services and Reports. The Commission's information program, an integral part of the implementation effort, continued to grow in 1977. Two information bulletins were distributed widely during the year; the first dealt with fiscal notes for local governments, and the second focused on grant consolidation. The Commission's quarterly magazine, Intergovernmental Perspective, continued to be a popular publication. Themes featured in 1977 were: "Restraint and Reappraisal: Federalism in 1976" (an examination of major intergovernmental events); "The Federal Grant Maze" (a review of the workings and misunderstandings surrounding block and categorical grant programs); "The Case for State-Local Fiscal Fair Play" (a discussion of fiscal tensions surrounding tax limitations and expenditure mandates); and "Bamboo Federalism" (a commentary on federal administrators' attitudes regarding the grant system, and the changing natures of that system and those administrators).

Each year, the ACIR has surveyed state constitutional, legislative, and executive actions during the previous year, and has compiled selected major institutional and functional policy activities in a volume entitled "State Actions." In 1977, however, it was determined that this report should be incorporated into the Commission's annual report on federalism — together with a discussion of significant judicial actions impacting upon federalism — in order to present a more complete and balanced treatment of significant

intergovernmental events. This more comprehensive report was prepared, and will be contained in an expanded January 1978 issue of Intergovernmental Perspective. In addition, work began on a new volume -- "State Profiles" -- containing much of the statistical data on government structure in the former "State Actions" report. This volume is scheduled for publication in late 1978.

Another continuing effort was the publication of the sixth annual ACIR public attitude poll on government and taxes. The 1977 poll revealed a somewhat significant shift in attitudes toward major federal, state and local taxes. For example, the poll noted that 33% of the public view the local property tax as the worst tax, up from 29% in 1975. An apparent beneficiary in this shift was the state sales tax; only 17% rated it the least fair tax in 1977, down from 23% in 1975. The "worst tax" ratings for both federal and state income taxes remained the same for this two-year period at 28% and 11% respectively. Eleven percent had no opinion, up one percentage point.

The survey was based upon personal interviews of a national sample of 2,009 men and women, aged 18 or over, living in private households. Interviews were conducted during May and June. The poll repeated several questions asked in previous years, and raised a new one asking whether states should grant special tax breaks in order to promote industrial development. Marked differences between regions were registered for this question. Fifty-seven percent of those in the northeast favored these tax breaks, while only 42% in the west supported these incentives. These responses would appear to underscore

the growing concern of the "frost belt" states for encouraging economic development.

Six other information reports were issued during the year. A complete listing of these volumes, as well as all other publications, are described in Appendix F.

At mid-year, the Chairman conducted a briefing for members of the press on the Commission's recent activities, particularly its call for action on the grant consolidation front, the results of the annual survey on public attitudes toward government and taxes, and the report on cigarette bootlegging. Numerous press releases also were issued throughout the year, highlighting the publication of ACIR reports, significant actions of the Commission, and the designation of new members.

OMB Circular A-85

Pursuant to OMB Circular A-85, the Commission serves as the administrative intermediary, transmitting draft regulations from the agencies to the public interest groups and doing what it can to speed the paper flow. ACIR staff has almost daily contact with the public interest groups and agencies in processing the drafts. As in earlier years, ACIR found some instances where, on the basis of Commission positions and staff expertise, it was appropriate for the staff itself to comment on A-85 submissions in 1977. Such comments were forwarded to the issuing agency.

In addition, in 1977, ACIR sought to assist OMB's efforts to deal with some of the lingering administrative ambiguities and compliance problems, as well as possible legal difficulties, inherent in the present Circular. Commission staff reacted to various methods of improving the process proposed by OMB during the year and made suggestions as to additional changes which could lay the basis for fuller utilization and improved compliance. ACIR prepares and transmits to the Director of OMB a separate annual report detailing the year's activities under the Circular.

Current and Future Activities

Several notable projects are expected to lead the ACIR work program in the coming months.

A major area of work focuses on competition among states and regions for jobs, capital and people. The work will include at least three distinct elements: tax competition; distribution of federal aid, installations payroll, other outlays, and tax expenditures; and growth policies. While a number of regional coalitions and researchers are commencing studies on this subject matter, most are oriented toward a specific region. ACIR, in contrast, will proceed from the national perspective and attempt to propose balanced national policies.

Another subject under consideration is federal, state and local energy regulatory practices. This topic encompasses the network of governmental regulations controlling energy production, pricing, facility location, transportation, utility operations, etc. A complete

project outline will be considered by the Commission in March 1978.

Research on intergovernmental economic stabilization and countercyclical aid, which was mandated by the Congress in 1976, is scheduled for completion in the Spring of 1978. The Public Works Act of 1976 directed ACIR and the Congressional Budget Office to conduct a study of countercyclical aid to determine how the federal government can most effectively stabilize the national economy during periods of rapid economic growth and high inflation through programs directed toward state and local governments. A partially overlapping study was also mandated by the State and Local Assistance Amendments of 1976.

The 1976 reenactment of general revenue sharing also called upon the Commission to prepare a study of the assignment-of-functions problem in American government, including such issues as an evaluation of the allocation and coordination of taxing and spending authorities between levels of government; interrelationships in servicing and financing responsibilities among state and local governments and special districts; and potential forces affecting American federalism and possible adjustments.

In response to this mandate, ACIR is reviewing alternative approaches, including the publication of various volumes followed by an ACIR conference of public officials and experts entitled "Future Forces Affecting American Federalism." One potential area of study would explore the social, economic and political dynamics underlying the expanding role of the national government, especially into fields traditionally the responsibility of the states.

A second study now being reviewed would summarize and, where possible, update past Commission studies on the assignment of functions among states, counties, municipalities, townships, special districts, and regional organizations in light of recent pertinent studies and of the results of the 1977 Census of Governments. Previous Commission recommendations relating to functional assignment issues also would be reviewed in the light of current trends and problems.

Another volume under consideration would assess the extent to which federal systems in other industrialized nations have faced and dealt with some of the issues of fiscal and functional federalism that now are of concern in the United States.

Although completion of the Commission's research and recommendations for the President and Congress is not required by the general revenue sharing act until 1980 at the earliest, preliminary work already has begun, and completion is expected before the end of calendar 1978. Work on a state-local functional assignment volume would be delayed until the necessary data from the 1977 Census of Governments becomes available (1978 and early 1979).

Closely associated with this mandated work on the assignment-of-functions issue is the request of Representative L.H. Fountain to prepare alternative study designs "for a major study of the proper roles of federal, state, and local levels of government in performing domestic functions of government" as called for by the proposed

House Joint Resolution 104 introduced by Representative Gladys Spellman. The Commission will consider a number of options in response to Representative Fountain's request in early 1978.

In December, the Commission approved a proposal for a federal assistance monitoring project. The idea for the project was conceived by the White House Intergovernmental Affairs Office during its study of federal aid administration last summer. The project will begin early in 1978. Specifically, it is designed to provide a mechanism to obtain information from state and local officials regarding federal aid administrative problems which cross-cut departmental jurisdictions. An "early warning system" for identifying those problems will be established, and "feed back" will be provided to federal agencies, the Executive Branch, and the Congress. The project will be evaluated at the end of one year to determine whether continuation is feasible or desirable.

Also in December, the Commission approved a proposal to update and expand ACIR model state legislation in the areas of state and local taxation, and fiscal and personnel management. Over a dozen bills have been identified for revision, and the need for at least eight new bills determined thus far. Staff will develop and disseminate packages of model bills and supporting material tailored to individual states, and technical assistance will be provided on request as staff resources permit. The work will be completed under a contract with the Department of Housing and Urban Development.

Work also is progressing on a Congressionally-mandated study of citizen participation in governmental fiscal decisions.

Appendix A

Commission Members

Advisory Commission on Intergovernmental Relations

December 31, 1977

Private Citizens

Robert E. Merriam, Chairman, Chicago, Illinois
Richard W. Riley, Greenville, South Carolina
F. Clifton White, Greenwich, Connecticut

Members of the United States Senate

Lawton Chiles, Florida
William Hathaway, Maine
William V. Roth, Jr., Delaware

Members of the U.S. House of Representatives

Clarence J. Brown, Jr., Ohio
L. H. Fountain, North Carolina
Charles B. Rangel, New York

Office of the Executive Branch, Federal Government

W. Michael Blumenthal, Secretary of the Treasury
Juanita M. Kreps, Secretary of Commerce
Vacancy

Governors

Reubin O'D. Askew, Florida
Otis R. Bowen, Indiana
Richard F. Kneip, South Dakota
Richard A. Snelling, Vermont

Mayors

Jack D. Maltester, San Leandro, California
Tom Moody, Columbus, Ohio
Vacancy
Vacancy

State Legislative Leaders

John H. Briscoe, Speaker, Maryland House of Delegates
Charles F. Kurfess, Minority Leader, Ohio House of
Representatives
Martin O. Sabo, Speaker, Minnesota House of Representatives

Elected County Officials

Lynn G. Cutler, Black Hawk County, Iowa
Doris W. Dealaman, Somerset County, New Jersey
William E. Dunn, Salt Lake County, Utah

Appendix B

Permanent Staff - December 31, 1977

Anderson, Wayne F., Executive Director
Walker, David B., Assistant Director
Shannon, F. John, Assistant Director
Stenberg, Carl W., Assistant Director

Beam, David R., Analyst
Bird, Deanna R., Secretary
Bunn, Elizabeth A., Secretary
Byrne, Joanne G., Secretary to Executive Director
Clarke, Lavinia B., Secretary
Colella, Cynthia, Intern
Conlan, Timothy, Intern
Folkman, Gordon M., Analyst
Fried, Esther, Personnel Officer
Gabler, L. Richard, Senior Analyst
Hahn, Thomas D., Accountant
Harris, Dale A., State-Local Relations Associate
Jones, MacArthur C., Duplicating Machine Operator
Kirkwood, Karen L., Staff Assistant
Koch, Patricia A., Library Assistant/Receptionist
McDowell, Bruce D., Senior Analyst
Mitchell, Michael, Intern
Myers, Will S., Senior Analyst
Nolin, Evelyn M., Secretary
Pack, Janet R., Public Finance Resident
Phillips, Ruthamae A., Secretary
Reeder, Richard J., Analyst
Richter, Albert J., Senior Analyst
Roberts, Diana M., Production Manager
Roberts, Jane F., Information Officer
Ross, John P., Senior Academic Resident in Finance
Ross, Ronald L., Mail Room Supervisor
Ryan, Jean A., Secretary
Silberg, Linda S., Secretary
Steinko, Franklin A., Budget and Management Officer
Stephens, G. Ross, Senior Public Finance Resident
Tippett, Francis X., Statistician Wright,
Carol Monical, Librarian

Appendix C

Official Consultants

Albert J. Abrams, secretary of the New York State Senate, Albany,
New York

Frank Bane, former chairman of ACIR, Alexandria, Virginia

John E. Bebout, Wellfleet, Massachusetts

George C.S. Benson, director, Henry Salvatori Center and President
Emeritus, Claremont Men's College, Claremont, California

Guthrie Birkhead, dean, The Maxwell Graduate School of Citizenship
and Public Affairs, Syracuse University, Syracuse, New York

John C. Bollens, professor of political science, University of
California, Los Angeles, California

George Break, professor of economics, University of California,
Berkeley, California

Frank L. Britt, executive manager, Toledo Area Governmental
Research Association, Toledo, Ohio

Alan K. Campbell, chairman, Civil Service Commission, Washington, D.C.

Arnold Cantor, assistant director of research, AFL-CIO, Washington, D.C.

William N. Cassella, executive director, National Municipal League,
New York, New York

William G. Colman, governmental consultant, Potomac, Maryland

Charles F. Conlon, Chicago, Illinois

William L. Day, professor and managing editor of "Illinois Issues,"
Sangamon State University, Springfield, Illinois

John DeGrove, director, Joint Center for Environmental & Urban
Problems, Florida Atlantic University, Boca Raton, Florida

L. Laszlo Ecker-Racz, consultant, Arlington, Virginia

Daniel J. Elazar, professor of political science and director,
Center for the Study of Federalism, Temple University, Philadelphia,
Pennsylvania

Bernard Frieden, director, Joint Center for Urban Studies, MIT-Harvard,
Cambridge, Massachusetts

Neely Gardner, professor of public administration, University of
Southern California, Los Angeles, California

C. Lowell Harriss, professor of economics, Columbia University;
Economic Consultant, Tax Foundation, Inc., New York, New York

Lawrence Howard, professor of public and international affairs,
University of Pittsburgh, Pittsburgh, Pennsylvania

Victor Jones, professor emeritus, University of California, Berkeley,
California

Richard Leach, professor of political science, Duke University,
Durham, North Carolina

Eugene C. Lee, director, Institute of Governmental Studies and professor of political science, University of California, Berkeley, California

Carl H. Madden, professor of business, School of Business Administration, American University, Washington, D.C.

Arthur Naftalin, professor, School of Public Affairs, University of Minnesota, Minneapolis, Minnesota

Oliver Oldman, professor of law, Harvard School of Law, Cambridge, Massachusetts

James A. Papke, professor of economics, Purdue University, Lafayette, Indiana

Joseph A. Pechman, director of economic studies, The Brookings Institution, Washington, D.C.

John Rehfuss, Dekalb, Illinois

Frank Schiff, vice president and chief economist, Committee for Economic Development, Washington, D.C.

James L. Sundquist, Director of Governmental Studies, The Brookings Institution, Washington, D.C.

Mabel Walker, consultant, Milford, New Jersey

George H. Watson, president, Friends World College, Huntington, New York

Murray L. Weidenbaum, professor of economics, Washington University, St. Louis, Missouri

Joseph F. Zimmerman, professor of political science, State University of New York, Albany, New York

Appendix D

Financial Support

From its inception, the Commission has been financed primarily from Congressional appropriations, but has generated some additional income from state or local government contributions and from grants to support specific research or other projects. The Commission received about \$40,000 in 1976 in contributions, honoraria, and travel reimbursements.

In 1977, ACIR, on the basis of its discussions with the Office of Management and Budget and the House and Senate Appropriations Committees, reinstated its program of soliciting contributions from state governments. This first year of the resumed solicitation program produced contributions or commitments of over \$40,000 from 27 states. For 1977, ACIR received \$27,000 of this amount from 17 states. The balance is anticipated from ten states which agreed to include or consider an appropriation when they act on their budgets in 1978. A goal of \$100,000 in state-local support has been established for FY 1979.

From time to time, federal agencies contract with ACIR to conduct research or undertake projects of special interest to the agency and closely related to ongoing work of the Commission. Project funds from other agencies in 1977 amounted to \$87,000, from the Department of Housing and Urban Development, the Department of Health, Education and Welfare, and the Department of Agriculture. The funds partially supported the preparation of ACIR's 14-volume research project on

"The Intergovernmental Grant System: An Assessment and Proposed Policies."

As a matter of Commission policy, all state, local and miscellaneous contributions are used to supplement and strengthen ACIR services to state and local government. The grant and contract funds from other federal agencies are used for consultants, temporary personnel, and publication costs to carry out specific research projects. The Commission, of course, approves the acceptance of such funds.

Appendix E

Salaries and Expenses
Statement

Object Classification	FY 1977 Actual	FY 1978 Estimate
Personnel Compensation	\$ 875,000	\$1,004,000
Personnel Benefits	74,000	91,000
Travel and Transportation of Persons	44,000	88,000
Transportation of Things	7,000	6,000
Standard Level User Charges	98,000	156,000
Communications, Utilites and Other Rent	107,000	119,000
Printing and Reproduction	120,000	71,000
Other Services	162,000	77,000
Supplies and Materials	29,000	33,000
Equipment	10,000	14,000
Total Obligations	\$1,526,000	\$1,659,000

Appendix F

Publications

REPORTS PUBLISHED IN 1977

The Intergovernmental Grant System: An Assessment and Proposed Policies. This 14-volume series analyzes the role, impact, and future of categorical and block grants to state and local governments, and contains Commission recommendations for changes.

Federal Grants: Their Effects on State-Local Expenditures, Employment Levels, and Wage Rates. A-61. February, 1977. 88 pages.

Block Grants: A Comparative Analysis. A-60. November, 1977. 43 pages.

The States and Intergovernmental Aids. A-59. February, 1977. 96 pages.

The Comprehensive Employment and Training Act: Early Readings from a Hybrid Block Grant. A-58. June, 1977. 80 pages.

Community Development: The Workings of a Federal-Local Block Grant. A-57. March, 1977. 104 pages.

The Partnership for Health Act: Lessons from a Pioneering Block Grant. A-56. January, 1977. 240 pages.

Safe Streets Reconsidered: The Block Grant Experience -- 1968-1975. A-55. January, 1977. 224 pages.

Safe Streets Reconsidered: The Block Grant Experience -- 1968-1975: Part B, Case Studies. A-55a. January, 1977. 624 pages.

The Intergovernmental Grant System as Seen by Local, State, and Federal Officials. A-54. May, 1977. 298 pages.

Improving Federal Grants Management. A-53. February, 1977. 304 pages.

Categorical Grants: Their Role and Design. A-52. (To be released in January, 1978.)

Catalog of Federal Grant-in-Aid Programs to State and Local Governments: Grants Funded FY 1975. A-52a. October, 1977. 48 pages.

1977 Changing Public Attitudes on Governments and Taxes. S-6. October, 1977. 48 pages. Results of a poll to gauge public opinion as to tax instruments, federal aid, and effectiveness of government.

Regionalism Revisited: Recent Areawide and Local Responses. A-66. June, 1977. 64 pages. A brief update of the trends in substate regionalism. This subject was studied in a 1973 Commission report entitled Regional Decision Making: New Strategies for Substate Districts.

Cigarette Bootlegging: A State and Federal Responsibility. A-65. May, 1977. 128 pages. Describes patterns of cigarette bootlegging, and recommends federal, state, and local policies to mitigate its effects on local taxes.

State Limitations on Local Taxes and Expenditures. A-64. February, 1977. 80 pages. Examination of the restrictions that state governments have placed on the power of local governments to tax and spend.

Understanding State and Local Cash Management. M-112. May, 1977. 80 pages. This publication reviews the field of state and local government cash management. It describes current and innovative practices with a view to helping these governments become more efficient cash managers.

Measuring the Fiscal "Blood Pressure" of the States -- 1964-1975. M-111. February, 1977. 32 pages. This report discusses the concept of fiscal stress on state and local governments, measuring tax effort over the recent past. The authors have examined the pros and cons of remedial federal action.

Significant Features of Fiscal Federalism: 1976-1977 Edition. Vo. II -- Revenue and Debt. M-110. March, 1977. 272 pages. Detailed information on federal-state-local revenue and debt structure.

State Actions in 1976. M-109. February, 1977. 88 pages. This report describes key state constitutional, legislative, and executive actions during 1976, with an emphasis on those with strong inter-governmental implications.

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