A STATE RESPONSE TO URBAN PROBLEMS:

Recent Experience Under the "Buying In" Approach



ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS DECEMBER 1970

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A STATE RESPONSE TO URBAN PROBLEMS:

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PREFACE

In this report, the research staff of the Advisory Commission on Intergovernmental Relations probes the extent to which State governments are "buying into" Federal-local grants-in-aid for urban development. The States' administrative involvement and technical assistance role in these programs are also examined.

Other purposes of this study are to explain State action or inaction on the "buying in" front in terms of the obstacles and alternatives to such financial participation, and to suggest a new way to analyze the role of State governments in urban affairs.

This report is a staff document only. It contains no new policy recommendations, and has not been the subject of action by the Advisory Commission on Intergovernmental Relations.

Wm. R. MacDougall Executive Director

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Carl W. Stenberg, Analyst on the Governmental Structure and Functions staff of the Commission, and Gary M. Jones, a year-round ACIR intern, prepared this Staff Analysis.

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"The Governor Isn't In Right Now — He's Soliciting Funds In Washington"



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A STATE RESPONSE TO URBAN PROBLEMS

Recent Experience Under the "Buying In" Approach

INTRODUCTION

A generally accepted characteristic of our contemporary federal system is the sharing of responsibility among the Federal government, the States, and local units for the performance of governmental functions. This is especially true with respect to urban development programs. The States, as well as the Federal and local governments, have a vital stake in this broad and complex area. Yet, recent years have witnessed the growth of Federal-local relationships that bypass the States in various grant-in-aid programs. State officials have sharply criticized this "leapfrogging," and have contended that States should be the "prime contractor" for all Federal grants, including those to localities. At the same time, Federal and local officials have justified "direct federalism" as an alternative to the refusal, inability, or delay on the part of State governments to meet the pressing needs of their political subdivisions. They argue that any administrative involvement by the States is unwarranted unless it is accompanied by a financial contribution.

This difference of opinion reflects an important emerging problem in American intergovernmental relations. On the surface, the more than 72 grant programs under which Federal funds may be provided directly to local governments would appear to be of minor significance in comparison with the approximately 429 Federal grant-in-aid authorizations existing as of August 1970. The mushrooming of Federal-local relationships in the 1960's, however, has raised serious questions concerning the viability of State governments as effective partners in the federal system. Moreover, the growth of "direct federalism" has challenged the validity of the "sharing" theme which serves as the cornerstone of "cooperative federalism."

Substantive issues involved in this debate include: the proper role of States in relation to local units; the type of responsibilities which the Federal government should assume in solving urban problems; the prospects for increasing centralization of functions at the National level; the possibility that the States have abdicated their traditional role as major urban policymakers; and the most effective ways to administer Federal grants-in-aid.

This report deals with one of the most promising alternatives to "direct federalism." It focuses on the nature and extent to which States "buy into" Federal-local grant programs by providing a substantial portion of the non-Federal matching share of project costs.

NATURE AND OBJECTIVES OF "BUYING IN"

For at least four decades, the States' ability to adjust to the needs of an expanding and rapidly changing urban society has been under question. The problems generated by the urbanization of the Nation placed urgent demands on all levels of government for vast remedial action. As these demands intensified and rising public service costs outran the resources of local governments, city and county officials more and more looked to Washington for help. This response was partly due to the inaction on the part of many States, and partly to the recognition that some problems were appropriate matters of national concern.

There is no disputing that Federal financial aid increasingly has become a major component of services provided by local governments. The principal issue now seems to be one of strategy — to determine the most desirable and feasible ways for the States to become more involved in solving urban problems. "Buying in" is one such strategy.

Emergence and Development

One of the earliest "buying in" recommendations was made in 1955 by the Commission on Intergovernmental Relations (Kestnbaum Commission), which recommended that Federal aid for public housing and slum clearance projects be channeled through State agencies when substantial State financial aid was made available. In support of this position, it was pointed out that State-local and National-local programs with similar purposes operating within a State resulted in under-utilization of intergovernmental resources, and that little incentive existed for a State to increase its share in a local assistance program when it was bypassed.

The Kestnbaum Commission, however, found only a few States offering significant financial aid for public housing and slum clearance.

The Advisory Commission on Intergovernmental Relations in a 1964 study took a much stronger position on the channeling-bypassing issue by prescribing certain conditions for distributing Federal urban development funds through the States. It recommended that:

Federal grants-in-aid to local governments for urban development be channeled through the States in cases where a State (a) provides appropriate administrative machinery to carry out relevant responsibilities, and (b) provides significant financial contributions, and when appropriate, technical assistance to the local governments concerned.1

This ACIR "buying in" position is an extension of an earlier Commission proposal that "the States take legislative and administrative action to establish a program (or to expand existing programs) of financial and technical assistance to metropolitan areas in such fields as urban planning, urban renewal, building code modernization, and local government organization and finance." Two major arguments supported this prescription: States must increase their technical and financial aid to metropolitan areas because these areas provide a large portion of State revenues; and, in many cases only State action can solve areawide problems.

In developing its "buying in" recommendation, ACIR suggested that the appropriate State share might range from 20 to 50 percent of the non-Federal matching costs. This percentage might be adjusted in light of such factors as the relationship between the amount of Federal funds and the size of the non-Federal portion, overall project costs, degree of statewide interest, and the anticipated effect on the local tax base and revenues. Further, the Commission urged that Federal grant-in-aid legislation either specify the percentage of the State share or provide, as a matter of

legislative intent, that States make a financial contribution. It called on State legislatures to authorize enough funds to match all available Federal dollars, to avoid the possibility that insufficient State matching funds might preclude some local units from applying for Federal aid.

ACIR's 1964 recommendation was silent concerning the desirability of Federal financial incentives to induce the States to become financially involved in urban development programs.³ In light of the tight fiscal bind in which most municipalities now find themselves and the hesitancy of many States to provide relief, the Commission in a recent report concluded that Federal aid programs for community public facilities would be strengthened and stabilized by State financial participation, and recommended that:

Congress develop matching provisions for its various aid programs for community public facilities so as to increase the Federal aid contribution to those community development projects that are financed in part from State funds. . . . [and] further that grant allocation formulas also be revised so as to complement the attainment of this incentive goal.4

Objectives

Assumptions made by ACIR and other advocates of States "buying into" Federal-local urban development programs are related to the improvement of the intergovernmental administration and financing of such programs. The objectives of "buying in" are to:

- relieve the local financial burden;
- increase city and county participation;
- initiate State-local action beyond Federal aid determinations to fill gaps in Federal programs, meet special local or regional needs, or undertake local projects which fail to receive Federal funds;

¹ U. S., Congress, Senate, Committee on Government Operations, Subcommittee on Intergovernmental Relations, Impact of Federal Urban Development Programs on Local Government Organization and Planning, by the Advisory Commission on Intergovernmental Relations, 88th Cong., 2d sess., May 30, 1964, p. 32.

² U. S., Advisory Commission on Intergovernmental Relations, Governmental Structure, Organization, and Planning in Metropolitan Areas (Washington, D. C.: U. S. Government Printing Office, 1961), p. 37.

³ This concept was first translated into statutory language with the enactment of the Clean Water Restoration Act of 1966, a measure that extended Federal aid to localities for the construction of waste treatment facilities.

⁴ U. S., Advisory Commission on Intergovernmental Relations, Federal Approaches to Aid State and Local Capital Facility Financings; (Washington, D. C.; U.S. Government Printing Office, September 1970), p. 16.

- encourage local units to assume broader responsibilities;
- coordinate State and local planning efforts;
- improve intergovernmental program operations and coordination;
- achieve a more equitable distribution of "spillover" costs;
- decrease the number of points of administrative contact;
- make positive State contributions to program objectives while avoiding useless intermediate reviews of a "rubber stamp" nature; and
 - reduce State-local conflict.5

Growing Concern

Until recently, the concept of "buying in" was ignored by many political leaders, public administrators, and members of the academic community. Two legislative developments, however, have triggered mounting interest in this subject. First, public interest groups representing the Nation's mayors have been critical of State action under the Clean Water Restoration Act of 1966, particularly the effects of Federal "incentive" payments for States to "buy into" waste treatment facilities construction programs. Second, after conducting extensive hearings on experience under Title I of the Omnibus Crime Control and Safe Streets Act of

1968, the House Judiciary Committee reported an amendment which provided for a mandatory 25 percent State financial contribution to the non-Federal share of local action programs as a condition for receipt of block grant awards. In December 1970, a conference committee agreed to this provision of the House bill, and the Congress subsequently approved "buying in" as an amendment to the Act.

EXTENT OF STATE FINANCIAL INVOLVEMENT IN SELECTED FEDERAL-LOCAL GRANT PROGRAMS

In light of this growing attention, questions have been raised concerning the extent to which States are participating financially in Federal-local grant programs. Yet, only a few attempts have been made to quantify such involvement. Since 1967, ACIR has traced, at least partially, the States' record here. In its Ninth Annual Report, the Commission documented the number of States participating and the type of financial aid provided in selected program areas previously characterized by Federal-local relationships. As of December 1967, 37 States were "buying into" airport construction, 20 into waste treatment works, 11 into urban renewal, 10 into urban mass transportation, eight into water and sewer facilities, and four into hospital construction.⁸ (See Appendix A-1). Dollar figures on the States' actual "buy in" as of the end of 1967, however, were unavailable.

A later Commission report, State Aid to Local Government, revealed the gradual overall expansion of State aid through 1967, when such funds accounted for \$19 billion of the total \$60 billion spent by local governments in that year. At the same time, however, State payments to local jurisdictions for certain functions were found to be minimal. In 1967, the Bureau of the Census reported less than \$150 million of State aid for housing and urban renewal, water and sewer facilities, and urban mass transportation, with only 15 States participating in one or more of these programs. 10 (See Appendix A-2).

⁵ For an analysis of each of these reasons and a case study of the impact of "buying in" see Carl W. Stenberg, State Involvement in Federal-Local Grant Programs: A Case Study of the "Buying In" Approach (Washington, D. C.: Advisory Commission on Intergovernmental Relations, December 1970). It should be noted that some of the objectives of "buying in" – particularly coordination of planning and program operations – are reflected in Bureau of the Budget Circular No. A-95, which implements Section 204 of the Demonstration Cities and Metropolitan Development of 1966 and Title IV of the Intergovernmental Cooperation Act of 1968.

⁶National League of Cities – U. S. Conference of Mayors, "Clean Water in the '70s! Analysis and Recommended Changes for the Grant-In-Aid Program of the Federal Water Pollution Control Act," (Washington, D. C.: National League of Cities-U.S. Conference of Mayors, January 1970), mimeographed.

⁷ U. S., Congress, House, Committee on the Judiciary, *Law Enforcement Assistance Amendments*, 91st Cong., 2d sess., H. Rept. 91-1174, 1970.

⁸ U. S., Advisory Commission on Intergovernmental Relations, *Ninth Annual Report* (Washington, D. C.: U. S. Government Printing Office, January 1968), p. 37.

⁹ U. S., Advisory Commission on Intergovernmental Relations, *State Aid to Local Government* (Washington, D. C.: U. S. Government Printing Office, April 1969). p.3.

¹⁰ Ibid., p. 98.

Nature of the Survey

In order to obtain a more recent indication of the extent of State financial involvement in grant programs affecting urban areas, a questionnaire was distributed by ACIR staff in 1969 to the 50 State Officers for Community Affairs or their counterparts. The National Governors' Conference Advisory Task Force on Community Development and Urban Relations and the Council of State Governments Advisory Committee on State-Urban Relations joined ACIR in undertaking this survey.

Each respondent was asked to: (1) specify in dollar amounts the financial aid contributed by his State in fiscal 1969 as the non-Federal share to help match Federal funds to be used by local governments in selected urban grant programs; (2) indicate any State administrative role in such programs, including the channeling or disbursement of Federal funds to localities through State agencies, and the review, comment, and/or approval of local applications for Federal aid; and (3) describe any State technical assistance functions associated with the programs.

Data Limitations

The main purpose of the survey was to probe the extent of the State role in grant programs under which Federal funds may be provided directly to localities for urban development and related purposes, bypassing State agencies. 11 The original intent of the questionnaire, however, was more comprehensive, covering State-local as well as Federal-State-local and Federal-local grant programs. Because of difficulties in obtaining complete and comparable data from the States responding, a portion of the questionnaire results has been omitted from this report.

This analysis of State "buying in" is confined to the following Federally aided programs: urban renewal; Urban Mass Transportation; waste treatment facilities; Urban Planning Assistance; Model Cities; airport development; air pollution control; Aid for Educationally Deprived Children; community action; solid waste disposal; Juvenile Delinquency Prevention and Control; and low-rent public housing. Thirty-seven States replied to the questionnaire. 12 Thirty-four made some financial contribution to one or more of the 12 urban programs selected for study. Only Kansas, Nebraska, and South Dakota failed to "buy into" any of them. To a certain extent, the lack of a more complete response distorts the picture of State financial participation. Several of the more "urban" States with developing roles in assisting local governments — including Illinois, Maryland, Pennsylvania, and Rhode Island — are not included in the overall tabulations because of their failure to reply. In addition, even though New Jersey has a broad range of programs to aid communities, it is only counted in one — Model Cities — because the State's financial involvement is concentrated in urban programs that are not Federally funded.

Magnitude of "Buying In"

Table 1 provides a summary view of each of the programs examined, taking into account the amount of funds contributed in fiscal 1969 by the 37 reporting States, the nature of their administrative role, and whether they performed any technical assistance functions. A State-by-State tabular listing for each program is contained in Appendix Tables A-3 and A-4.

Fiscal 1969 payments to local governments by two-thirds of the States for the dozen urban programs covered in the survey totaled \$229.3 million. Among these, as might be expected, New York held a commanding position, with a contribution of \$123.1

12 The initial questionnaire was distributed to the States in August 1969; the original deadline for replies was October. By that date, however, only a handful of questionnaires had been returned in an entirely usable form. Some of the State Officers for Community Affairs did not possess or were unable to obtain readily the kind of information needed. Consequently, an extension of the due date was necessary. Questionnaires were then sent to the Budget Directors of non-responding States. Again, some of the responses were incomplete. A few officials expressed their intention to submit the questionnaire after the January 1970 deadline. As a result, compilation of the survey results was delayed until Spring 1970, after every opportunity had been given the States to reply. The difficulties in obtaining the necessary information stemmed from the unforeseen amount of time required to complete the questionnaire. Participation in the survey was especially burdensome for small agencies or those in the initial phases of operation. Other States were forced to delay their reply because of the exigencies of budget preparation. But the paramount obstacle reported by most officials was the lack of any single State agency responsible for monitoring the flow of Federal and State funds into urban programs. In most cases, the requested information had to be "tracked down" separately by each agency administering the program at the State level, which complicated data collection and often resulted in a considerable lag in response.

¹¹ For a complete listing of these programs as of 1966 see: U.S., Advisory Commission on Intergovernmental Relations, Fiscal Balance in the American Federal System (Washington, D. C.: U. S. Government Printing Office, October 1967), I: 166-68.

Table 1

STATE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969
(number of States participating)

Federal urban development program	Make financial contribution ("Buy In")	Amount of State funds (000)	Require channeling of Federal funds	Require review and comment on local appli- cations	Approve local applica- tions	Provide technical assistance
Urban Renewal	4	\$17,099	1	5	2	5
Urban Mass Trans-						
portation	4	16,961	1	4	2	2
Waste Treatment Facilities	11	45,628	20	26	27	19
Urban Planning						
Assistance	21	2,562	22	:23	20	23
Model Cities	4	1,130	3	16	7	13
Airport Development	17	8,216	14	19	16	18
Air Pollution Control	8	2,324	10	17	12	14
Aid for Educationally						
Deprived Children	3	89,709	27	26	29	26
Community Action	8	9,039	4	28	19	26
Solid Waste Disposal	13	816	11	14	11	18
Juvenile Delinquency						
Prevention & Control	12	237	14	16	12	16
Low Rent Public Housing	2	35,617	3	7	4	5
Total	34	229,338	xxx	xxx	xxx	xxx

million in State funds distributed among 11 programs. In descending order, the next four States were: Texas, \$23.9 million; Connecticut, \$21.6 million; Massachusetts, \$19.4 million; and California, \$11.8 million. These five States provided nearly \$200 million, or 87 percent of the total reported "buying in" for fiscal 1969.

Table 2 shows that only 1.1 percent of all 1969 State intergovernmental expenditures represented "buying in" outlays. Hawaii allocated the largest proportion of its intergovernmental aid — 16.4 percent — for "buying in," followed by: Maine, 12.1 percent; Connecticut, 11.1 percent; and New Hampshire, 10.1 percent. With the exception of Connecticut, the four other States which accounted for seven-eighths of the overall dollar amount of "buying in" in 1969 each allotted less than 4.5 percent of its total intergovernmental outlays for this purpose, although only one — California — fell below the nationwide figure.

Functional Distribution

The program receiving the greatest dollar amount of State contribution was Aid for Educationally Deprived Children, totaling \$89.7 million. But, only three reporting States participated here — New York, Texas, and California. For each of these States, support for this program was their single largest expenditure among the 12 functional areas examined. The program with the second highest amount of State outlays was waste treatment facilities, totaling \$45.6 million distributed among 11 States. Low-rent public housing accounted for the third largest total expenditure — \$35.6 million — but New York, and to a much lesser extent, Alaska, were the only contributors.

The greatest involvement in terms of the number of States occurred in the Urban Planning Assistance program, where 21 States were "buying in." The total 1969 dollar amount, however, was \$2.6 million, or about one percent of the States' support for all of the urban grant programs reported in the survey. Airport development attracted the second largest number of contributing States, with 17 making available \$8.2 million, or just less than four percent of the overall figure. The solid waste disposal program, followed by the Juvenile Delinquency Prevention and Control program (with 13 and 12 States involved, respectively) received the next highest numerical levels of State involvement. But, the

Table 2
PROPORTION OF TOTAL STATE INTERGOVERNMENTAL EXPENDITURE
REPRESENTED BY "BUYING IN" OUTLAYS, 1969

	Total		Percent of
State	Intergovernmental Expenditure (000)	Total "Buy in" (000)	Intergovernmental Expenditure
Alabama	\$ 336,512	\$ 169	.1
Alaska	36,303	225	.6
Arizona,	259,462	41	. 0 _*
Arkansas	171,193	131	_ .1
California	3,678,181	11,767	.3
Colorado	222,002	160	.3 .1
Connecticut	195,195	21,642	11.1
Delaware	78,703	1,364	1.7
Florida	756,890	655	.1
Georgia	454,777	209	. I *
Hawaii	16,757	2,752	 16.4
Idaho	60,679	10	16.4 _*
	254,116	4,274	
Kentucky		•	1.7
	53,826	6,524	12.1
Massachusetts	444,807	19,395	4.4
Michigan	1,229,871	616	.1 _*
Minnesota	655,639	125	
Mississippi	252,731	208	.1
Missouri	307,218	488	.2
Montana · · · ·	46,669	44	.1
New Hampshire	17,154	1,733	10.1
New Jersey	577,791	950	.2
New Mexico	149,265	19	 _*
New York	4,970,190	123,078	2.5
North Carolina	627,063	149	— <u>*</u>
Ohio	811,514	99	<u>_</u> *
Oregon · · · · ·	191,505	112	.1
Texas · · · · ·	790,734	23,937	3.0
Vermont	39,146	1,167	3.0
Virginia	450,638	1,196	.3
Washington	475,338	3,363	.7
West Virginia	150,833	47	 *
Wisconsin	760,198	2,673	.4
Wyoming	150,420	16	*
Total	19,673,320	229,338	1.1

Source: U.S., Bureau of the Census. State Government Finances in 1969. (Washington, D.C.: U.S. Government Printing Office, 1970), Table 8.

combined sum for both programs was only slightly over \$1 million, less than half of one percent of overall State financial participation in fiscal 1969. (See Figure 1)

Regional and Urban-Rural Variations

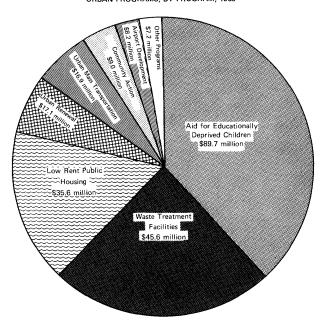
. The survey results reveal that the reporting States differed considerably with respect to the nature and

degree of their participation. Yet, certain regional and urban-rural patterns are evident.

Figure 2 shows the geographic distribution of combined State financial involvement in the 12 urban grant programs. Cities and counties in the Northeast received the greatest amounts of State financial aid. Of the total \$229.3 million in FY 1969 State expenditures for the functional programs surveyed, approximately

^{*}less than one-tenth of one percent.

FIGURE 1
STATE FINANCIAL CONTRIBUTION TO FEDERALLY AIDED URBAN PROGRAMS, BY PROGRAM, 1969



TOTAL \$229.3 million

\$176 million, or 77 percent, was accounted for by States in this region. The largest contributor was New York, which provided \$123.1 million to its local governments, followed by Connecticut (\$21.6 million) and Massachusetts (\$19.4 million). Only in the Northeast was there any evidence of the States' attempt to target their financial resources on urban programs beyond the "token" level. Seven of the 12 States comprising this region - Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New York, and Vermont - spent in excess of \$1 million in 1969. Each reporting State in the Northeast "bought into" an average of five programs, with New York again setting the pace by contributing to 11 of the 12 programs. Massachusetts provided funds for seven programs, followed by Connecticut and Vermont, each of which made expenditures in five grant areas. Moreover, in three States in this region - Maine, Connecticut, and New Hampshire - "buying in" accounted for from 10 to 12 percent of their total 1969 intergovernmental expenditures, while the nationwide figure was one percent.

Cities and counties in the other regions did not fare as well as those in the Northeast. In these regions, combined State "buying into" urban grant programs in fiscal 1969 accounted for approximately \$54 million, or about 23 percent of total State financial participation in that year.

The Southern States had the second largest proportion of overall 1969 "buy in" expenditures, amounting to nearly \$31 million, or almost 14 percent

of the total figure. Texas was the highest contributor, with a \$23.7 million outlay for Aid for Educationally Deprived Children. Kentucky made the next largest contribution, "buying into" five separate programs totaling over \$4 million.

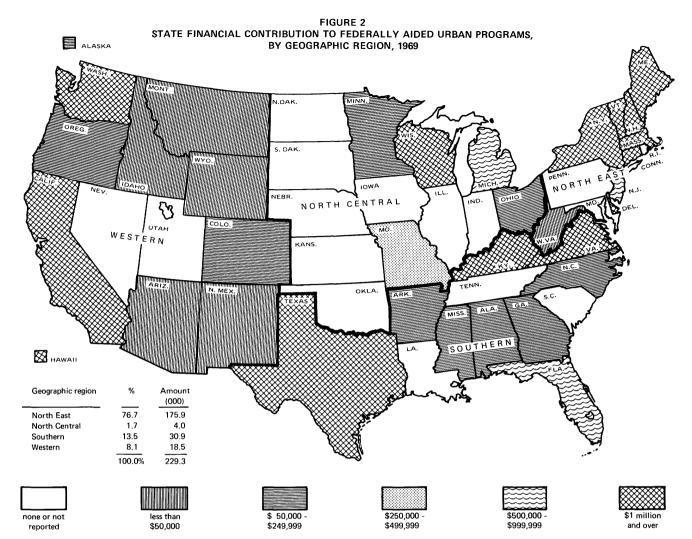
The West, supported by California's \$11.8 million "buy in," accounted for about eight percent of the 1969 nationwide figure. States in this region, although not contributing significantly greater dollar amounts, were relatively more involved numerically. Eleven of the 13 States here made some "buying in" effort. Although the average number of programs "bought into" per State was only two, in view of the large number of predominantly rural Stares in the West, the extent of involvement is still noteworthy. Washington distributed \$3.4 million among six programs, with the \$1.7 million allocated for waste treatment facilities its greatest dollar expenditure. Hawaii made the third highest contribution, with \$2.8 million divided among four programs.

The most unexpected variation was the relatively low level of State financial contribution in the North Central region. Reporting States here accounted for only \$4 million, less than two percent of the nationwide total. Wisconsin provided more than half this amount, "buying into" four programs. The remainder was shared by four States — Michigan, Minnesota, Missouri, and Ohio. Undoubtedly, the relatively modest showing in this region was conditioned by the lack of replies from five States — Illinois, Indiana, Iowa, North Dakota, and Oklahoma. Three States — Kansas, Nebraska, and South Dakota — indicated no financial involvement in the programs covered by the questionnaire.

In light of the foregoing, the degree of a State's urbanization does not appear to be a consistent indicator of the extent of its "buying into" Federal-local grant programs for urban development and related purposes. The existing pattern resembles "peaks and valleys" among urban and rural States with respect to their fiscal role. An exception, of course, is certain "urban" States located in the Northeast. Yet, even here the strong participation of the northern New England States provides a semi-rural dimension to the regional pattern.

State Administrative Involvement

Another feature highlighted by the survey results was the extensive amount of State administrative involvement in some of the 12 grant programs examined that was not accompanied by "buying in." (See Table 1). State participation in program administration took the form of conditions on grants to local government calling for: channeling of Federal funds through a State agency; State level review and comment on local



applications; and/or approval of such applications by State officials. Particularly with respect to Aid for Educationally Deprived Children, waste treatment facilities, community action, air pollution control, and Model Cities, the number of States that had assumed administrative responsibilities significantly exceeded the number with a fiscal role. On the other hand, in the Urban Planning Assistance, solid waste disposal, airport development, and Juvenile Delinquency Prevention and Control programs, about the same number of States were both "buying in" and performing administrative responsibilities.

The most common type of administrative involvement in the programs surveyed was the review and comment function. On the average, 17 States carried out this activity, while 11 required the channeling of Federal funds.

Perhaps the most controversial type of administrative involvement is State level approval of local applications for Federal funds. Local officials object when States mandate approval of local applications but

fail to make any financial contribution. Analysis of the survey data reveals that an average of 13 States had such a requirement. In half of the 12 urban programs, the incidence of application approval provisions exceeded that of "buying in."

State Technical Assistance

Another kind of State participation probed in the survey was the provision of technical assistance to local governments. The nature of such assistance for each of the programs varied from State to State. The most frequently furnished types involved consultation, advice, review, or coordination during the various stages of the application process. In many cases, this interaction with localities gives State officials an opportunity to monitor and evaluate projects prior to the formal approval or disapproval of local applications at the State level. At the same time, local officials receive valuable help in preparing plans and specifications, and they are able to

modify them at a relatively early processing stage to meet State requirements.

Specific kinds of technical assistance were listed by the States in connection with certain physical construction programs. These contrasted with the more general types of help rendered in the planning and social-oriented programs. City and county applicants for physical facility programs received such technical aid as project planning, engineering design, and site selection. A few States indicated some form of regulation enforcement as their technical assistance function, particularly in the air pollution control and the Juvenile Delinquency Prevention and Control programs.

In all of the programs surveyed except two, the number of States providing technical assistance equaled or exceeded the number requiring approval of local applications. These exceptions were waste treatment facilities and Aid for Educationally Deprived Children.

CONCLUSIONS AND IMPLICATIONS FOR INTERGOVERNMENTAL RELATIONS

In its Eighth Annual Report, issued in January 1967, the Commission stated: "One of the crucial questions regarding the crisis in the cities — indeed of American federalism — is whether the States will sign off to the National government the responsibility for financing major urban services in the United States." 13 One year later, it observed that "the number of States participating in a meaningful financial way in areas previously dominated by Federal-local relationships was encouraging." 14

While the results of ACIR's 1970 survey are somewhat heartening, the extent of "buying in" as of fiscal 1969 was by no means massive in terms of the amounts of funds, the proportion of total State intergovernmental expenditures, or the number of States involved. Although some progress has occurred, several States still appear to be reluctant to participate financially in Federal-local grant programs, even when they play an administrative role.

These conclusions should not be interpreted as an across-the-board indictment of the States. The data reported here, after all, relate to only 12 of the more

than 72 grant-in-aid programs under which direct Federal-local relationships may be established. Moreover, several other types of State assistance to local governments should be considered. General support payments to localities, for example, totaled \$2.1 billion in 1969. Moreover, State financial involvement in the delivery of local public services in functional areas other than urban development amounted to more than \$21 billion. To Of this 1969 total, \$13.5 billion went for elementary and secondary education, with 15 States providing more than half the cost of such schools. Local public welfare agencies also received sizeable financial assistance from the States, with 24 States assuming the bulk of the non-Federal matching in 1968. The secondary education is the states assuming the bulk of the non-Federal matching in 1968.

The States also help their cities and counties in non-financial ways. Particularly important is the provision of technical assistance in a wide range of program areas. Another type of action, taken by over half of the States, is the establishment of State level offices of community or local affairs to serve in an informational, coordinative, and advisory capacity vis-a-vis local governments. Some of these agencies also provide financial assistance to localities. State activity to improve local governmental structure and to eliminate fragmented jurisdictions also has a favorable indirect economic impact.

All of these factors suggest that a composite index is needed to arrive at a realistic assessment of the extent and effect of State involvement in urban affairs. Such information could resolve much of the continuing debate over the viability of the States as members of the intergovernmental partnership and the "cooperative" or "competitive" nature of our federal system.

Obstacles to "Buying in"

At the same time, "buying in" stands out as an important gauge of State concern with urban problems — one that local officials tend to approve and one that State spokesmen concede to be the most effective curb on "direct federalism." Why, then, have many States been hesitant to "buy into" Federal-local grant programs? A number of possible reasons can be advanced.

Lack of Federal Incentives. The failure of some States to "buy in" on a massive scale may be due partially to the limited encouragement to do so coming

¹³ U.S., Advisory Commission on Intergovernmental Relations, Eighth Annual Report (Washington, D.C.: U. S. Government Printing Office, January 1967), p. 8.

¹⁴ Advisory Commission on Intergovernmental Relations, Ninth Annual Report, p. 9.

¹⁵ This figure includes an estimated \$5 billion of Federal funds passed through to local governments.

l6 Advisory Commission on Intergovernmental Relations, State Aid to Local Government, p. 62.

from the Federal government. The survey shows that several States allocated relatively large amounts of their dollars for waste treatment projects. This action can be explained mainly by the special incentives for State financial participation contained in the Clean Water Restoration Act of 1966, which provided for a Federal aid "bonus" if a State assumed a designated share of the local project cost. 17

If, as appears to be the case, States do respond to financial "carrots" offered by the Federal government, then extending "incentive financing" to other program areas probably would not go unheeded by the States. ACIR believes that particularly for capital facility programs, such Federal incentives could prove to be the inducement necessary to encourage more States to assume greater fiscal responsibility. 18

The "Management Mess". Another possible reason for the marginal showing of many States in "buying into" selected urban programs might be the "management mess" involved in handling narrow categorical grants. "Buying into" block grants covering broad functional areas might be more attractive to the States. With the exception of Model Cities, the grant programs examined in the survey are largely of a narrow purpose nature, and some of these, it has been charged, tend to be administratively inflexible and cumbersome. Administrative and planning requirements, eligibility standards, and matching formulas vary widely among them. At best, it is a bewildering exercise just to try to keep track of such information, even in the case of programs channeled through the States. Moreover, some officials doubt whether all Federal-local programs are really relevant to State planning and programming.

All too often, then, Federal regulations and guidelines drawn up for particular categorical programs do not encourage State initiative and response. Because of these bureaucratic difficulties, some States undoubtedly prefer to let their local units deal directly with Federal agencies rather than to be bogged down in an administrative morass having minimal political and program payoffs.

State Priorities. Another factor to be considered is that State investment as a back-stop to local efforts has not received unconditional acceptance by various State agencies competing for the scarce State budget dollar. Some officials believe that State general fund revenues should be targeted primarily on pressing statewide needs and secondarily on the problems and programs of individual counties and cities. Vigorous competition exists at the State level for upgrading existing facilities and providing new services. Schools, hospitals, and correctional institutions, among others, presently are competing with urban programs for State funding. This situation can crush a "massive" urban development commitment.

Fiscal Inadequacies. Of all the possible explanations for the "buying in" record, the major one is inadequacy of the States' own fiscal systems. The financial pressures placed on States, as well as on local governments, by a growing and urbanizing population in need of more and better public services has been unrelenting. Direct State outlays for primary needs such as education, highways, public welfare, hospitals, and mental health facilities have spiraled. While attempting to keep pace with new expenditure demands, the budgets of State governments have been growing every year just to maintain their traditional functional responsibilities. Consequently, most States, handicapped by a revenue system unresponsive to economic growth, have had to raise tax rates and to impose new taxes again and again in order to keep abreast of burgeoning domestic expenditures. During the past decade, State spending more than doubled - from \$31.6 billion at the close of fiscal 1960 to \$74.2 billion by the end of the decade. 19 Thus, the ability of the States to meet recent public service needs has, to a certain extent, been subject to the same basic restraint that confronts local governments - fiscal imbalance in the American federal system.

Outlook

Some observers argue that "buying into" Federal-local grant-in-aid programs is unrealistic as long as the imperfections in State-local revenue systems remain unresolved. A massive rearrangement of the fiscal resources available to the three levels of government, they contend, is absolutely essential if the federal system is to remain viable.

The capacity of State governments to assist local units depends, in large measure, upon the nature of Federal-State fiscal transactions. Even though the States are superior to local governments in their ability to raise revenues, the tax collecting capacity of the Federal government is much greater than that of the States.

¹⁷ According to the Federal Water Pollution Control Administration, 16 States are presently taking advantage of this incentive provision.

¹⁸ See Advisory Commission on Intergovernmental Relations, Capital Facility Financing, p. 68.

¹⁹ U. S., Department of Commerce, Bureau of the Census, State Government Finances (Washington, D. C.: U. S. Government Printing Office).

Restoring fiscal balance, then, is one of the major tasks ahead in strengthening the federal system.

Some of the key reforms recommended by ACIR as ways to achieve this objective include:

- Sharing of a percentage of the Federal personal income tax with States and localities (freeing up an estimated \$3 billion in State and local funds);
- Assumption by the Federal government of full financial responsibility for public welfare and medicaid (freeing up an estimated \$7 billion in State and local funds);
- Assumption by the States of substantially all local costs of elementary

and secondary education (freeing up an estimated \$20 billion in local funds); and

 Adoption of a Federal income tax credit for State income taxes paid to encourage development of high-quality, high-yield State tax systems.

These approaches are preferable to the further proliferation of Federal categorical grants. Moreover, they hold promise of overcoming some of the existing hurdles to greater State financial participation in Federal-local programs.

Finally, to achieve a more accurate assessment of State involvement in urban affairs, a composite index covering various fiscal and non-fiscal actions should be developed. "Buying in" should be one component of this index. But only one.

Table A-1.—STATE AID TO LOCALITIES SUPPLEMENTING THE LOCAL CONTRIBUTION UNDER SELECTED FEDERAL GRANT PROGRAMS

DECEMBER 1967

State	Waste Treatment Works	Airport Construction	Hospital Construction	Urban Renewal ¹	Water and Sewer Facilities	Urban Mass Transportation
			X			
Alabama		X* X ²	^	X^3		
Alaska		x		^		
Arizona		^				
Arkansas		X*	×	×		X
California	V	Λ"	^	^		^
Colorado	X	X ⁴		×	√5	x
Connecticut	X	^		^	X ⁵ X ⁵	^
Delaware	X				^	
Florida						
Georgia	X	X X ⁴	X	x^3		
Hawaii		Χ.		X		
Idaho		X*		3		
Illinois		X		x^3	6	X
Indiana	X				X ⁶	
Iowa		X				
Kansas						
Kentucky		X				
Louisiana						
Maine	X	X X ⁷			4	
Maryland	X	x ⁷			x ⁶	
Massachusetts	X	X X ⁴		X		X
Michigan		x^{4}				
Minnesota		X*				
Mississippi		X*				
Missouri	X	X				X
Montana		X*				
Nebraska		X*				
Nevada		• • • • • • • • • • • • • • • • • • • •				
New Hampshire	×	X*				
·	x	,,		X		X
New Jersey	^					
New Mexico	×			X	X	X
	^	x	X			
North Carolina		x	• •			
North Dakota		X X X ⁷ X X* X ⁴ * X ²				
Ohio		Ŷ				
Oklahoma	×	X X*				
Oregon	â	~ 4∗		×	×	X
Pennsylvania	x	$\hat{\mathbf{v}}_2$		x	• •	X
Rhode Island	^	x ·		^		
South Carolina		X X*				
South Dakota	.,					
Tennessee	X	X				
Texas	×	X				
Utah		X*			x ⁸	
Vermont	X	X			^	
Virginia		X*				×
Washington	X					^
West Virginia				v =	x ⁹	
Wisconsin	X	X*		X	X	
Wyoming		X				

¹ Typically provides one-half of local contribution

Source: ACIR Ninth Annual Report.

² Owns all or most of the airports

³ Provides or has provided aid in specified instances

⁴ Owns and operates some of the airports

⁵ Sewer only

⁶ Loans only

⁷ Bond issue

⁸ Only in cases of proven hardship

⁹ Limited application

^{*} Some or all aid from aviation-related taxes and revenue

Table A-2.—STATE PAYMENTS TO LOCAL GOVERNMENTS FOR SELECTED URBAN TYPE FUNCTIONS, 1967

(Millions of dollars)

State	Total	Housing and urban renewal	Water and sewer	Urban mass transportation
United States	141.1	67.0	26.3	47.8
Alabama	*	*	_	_
California	27.5	<u> </u>	_	27.5 ¹
Connecticut	4.3	4.3	_	_
Delaware	.3	_	.3	_
Hawaii	.2	.2	_	
Maine	.7	_	.7	_
Maryland	1.8	_	1.8	_
Massachusetts	21.5	7.2	.2	14.1
New Hampshire	1.0	_	1.0	_
New Jersey	3.5	_	3.5	
New York	52.1	43.5	8.6	_
Pennsylvania	24.6	11.1 ²	7.3	6.2
Texas	1.6	_	1.6	
Vermont	1.3	_	1.3	_
Washington	.6	.6		

Note: The States not listed made no aid payments for these functions in 1967.

^{*}Less than \$50,000

¹Excludes payments to cities from the motor vehicle "in lieu" property tax fund (\$93.8 million in 1967). Funds are distributed to cities in proportion to population and must be used for law enforcement, fire protection to highway traffic, and rapid transit.

² Housing construction in ratio to local expenditure for approved redevelopment projects.

Source: U.S. Bureau of the Census, Census of Governments, 1967, Vol. 6, No. 4, State Payments to Local Governments, Table 6.

Table A-3.—STATE FINANCIAL INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969

(Thousands of Dollars)

States	LOW RENT PUBLIC HOUSING	URBAN RENEWAL	URBAN MASS TRANSPORTATION	WASTE TREATMENT FACILITIES	URBAN PLANNING ASSISTANCE (BOTH LOCAL & REGIONAL)	MODEL	AIRPORT DEVELOPMENT	AIR POLLUTION CONTROL	AID FOR EDUCATIONALLY DEPRIVED CHILDREN	COMMUNITY ACTION	SOLID WASTE DISPOSAL	JUVENILE DELIQUENCY PRE- VENTION & CONTROL	DOLLAR	NUMBER OF PROGRAMS
Alabama	_		_	_	93	_	70	_	_			6	169	3
Alaska	100	125	_	-	-	_	-	-	_	-	-	_	225	2
Arizona	_	-	_	_		-	41	_] -	_	-	-	41	1
Arkansas	-	-	-	_	32	-	99	-	_	_	-	-	131	2
California	-		_	-	_	-	1,611	-	10,156	_		_	11,767	2
Colorado	-	-	_	-	140	-	_	_	-	_	20	-	160	2
Connecticut	_	4,520	-	13,018	125	20	_	_	-	3,959	_	-	21,642	5
Delaware	- 1		1,350	- 1	_	-	-	_	_	_	14		1,364	2
Florida	-	-	_	-	133	-	-	468	-	54) –) -	655	3
Georgia	_	-	_		160			_	_			49	209	2
Hawaii	-	_	_	NA	192	NA	2,028	-0-	-0-	481	51	NA	2,752	4
Idaho	_	-	_	_				_	_	10	-	-	10	1
Illinois					l .	Repoi					 	1	_	-
Indiana					1	Repoi						1	_	_
Iowa					NOI	Repoi	lea		_				_	_
Kansas Kentucky	_	_	_	442	_	10	500	_	_	3,300	-	22	4,274	5
Louisiana	_	_	_	442	Not	Repor			_	3,300	_	22	4,2,4	
Maine	_ '		_	5,751		—	767	_		_] _	6	6,524	3
Maryland				0,70	Not	ı Repoi					İ			_
Massachusetts	_	2,000	13,029	3,554	350	l –	392	_	_	45	25	_	19,395	7
Michigan	NA	NA	NA	339	NA	NA	128	149	NA	NA	NA	NA	616	3
Minnesota	_	_	_	_	_	-	_	100	_	_	25	-	125	2
Mississippi		-	_	-	129	-	20	15	-	_	11	33	208	5
Missouri	- 1		_	53	222		180	_		_	–	33	488	4
Montana	-	-	_	-	44	-		-	-		-	_	44	1
Nebraska	-	-		-	-	I —	_	-	-	_		-	1	į
Nevada			•		1	Repoi								-
New Hampshire .	-	-		1,603	2		128	_	_	-		-	1,733	3
New Jersey	_	-	_	-	_	950	_	_	-	-	-	_	950	1
New Mexico	_	NA	_	-	19	NA	-	-		NA		_	19	1
New York	35,517	10,454	2,544	16,271	230	150	517	1,027	55,808	_	510	50	123,078	11
North Carolina	_	_		_	137	l —	—	_	_	_	12	-	149	2
North Dakota					l .	Repoi	tea	-	İ		l _		99	1
Ohio	_	-	_	_	99 Not	 : Repor	rted -		-		_	-	99	_'
Oklahoma Oregon	_	_	_	_	54	l —	23	_	l _ l	_	24	11	112	4
Pennsylvania	_	_	_		1	l t Repoi						l ''		
Rhode Island]	1	Repoi						1	***	_
South Carolina						Repoi							_	_
South Dakota		_	_			-	_	_	_	_		_	_	i –
Tennessee						t Repoi	rted		\				l	
Texas	_	_	-	_		1 -		148	23,745	_	_	_	23,937	3
Utah						Repoi							_	-
Vermont	_	NA	_	1,033	19		85	NA	_	_	24	6	1,167	5
Virginia	-	NA	38	NA	NA	NA	827	NA	-	305	26	-	1,196	4
Washington	_	NA	-	1,718	323	-	-	400	_	885	27	10	3,363	6
West Virginia	-	NA	_	_		-	_	_	_	-	47	-	47	1
Wisconsin	-	_	_	1,846		-	800	17	_	-	-	10	2,673	4
Wyoming	-	-	_	-	15	-		-	-	_	_	1	16	2
						1						1		
Number of			5					_		_	13		\$229,338	
States	2	4		11	21	4	17	8] 3	8		12		

NA-Information not available.

Source: ACIR Survey.

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969

	L	OW REN	T PUBLIC H	OUSING (H	i	URE	AN RENEW	AL (HUD)		
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance
Number of States .	2	3	7	4	5	4	1	5	2	5
Alabama	-									
Alaska	100					125				
Arizona	_	X	×			_				
Arkansas	_				v	_				×
California	_			1	Х	_				^
Colorado	_					4,520		×		
Delaware	_							^		
Florida	_									
Georgia										
Hawaii	_	×								
Idaho	_									
Illinois										
Indiana										
Iowa										
Kansas	_					-				
Kentucky	_		×	×	×	_				
Louisiana										
Maine	-			1		-				
Maryland										
Massachusetts	_		×	×		2,000		×	×	X
Michigan	NA					NA				
Minnesota	_					_				
Mississippi	_			,	X	_				
Missouri	_	×	×	X	×	_	×	×	X	×
Montana	_		x	x		_				
Nevada	_		^	^		_				
New Hampshire	_					_				
New Jersey	_							×		×
New Mexico	_					NA				_ ^
New York	35.517					10,454				
North Carolina	_					_		×		
North Dakota			×							
Ohio	_					–				
Oklahoma								1		
Oregon	_					-				
Pennsylvania										
Rhode Island										
South Carolina										
South Dakota										
Tennessee										
Texas					x	_				
Vermont					^	NA				×
Virginia	_					NA NA				^
Washington	_					NA NA				
West Virginia	_					_				
Wisconsin	_		×							
Wyoming	ĺ									
Total	35 617					17,099				1

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969 (Cont'd)

	UR	BAN MA	SS TRANSP	ORTATION	(HUD)				ROL-WAST	
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance
Number of States .	4	1	4	2	2	11	20	26	27	19
Alabama	-					_		×	X	X
Alaska	-					_	Х	x	X	×
Arizona	-					_	X	x	X	х
Arkansas	-					-	X	X	X	х
California	-				1	_		x	X	
Colorado	_									
Connecticut						13,018	X	x	X	X
Delaware	1,350		x	Х	x	_	Х	X	X	
Florida	_					_	Х	X	X	Х
Georgia			×			_		x	X	×
Hawaii	_		X			NA		x	X	ļ
Idaho	_					_		X	X	×
Illinois										
Indiana										
lowa					, ,					
Kansas	_					_	X	x	X	×
Kentucky	_					442	Х	x	X	
Louisiana										
Maine	-					5,751	×	x	X	×
Maryland										
Massachusetts	13,029	Х				3,554		x	X	×
Michigan	NA				ļ	339	Х	x	X	×
Minnesota	-					_	Х		X	
Mississippi	-					-		i		
Missouri	-					53	Х	×	X	X
Montana	-					-	Х	X	X	×
Nebraska	-					_		×	X	
Nevada										
New Hampshire	-					1,603	X	×	X	
New Jersey							Х	X	X	×
New Mexico	-					-				
New York	2,544		×	X	×	16,271	Х			
North Carolina	-					_				
North Dakota										
Ohio	-					_	Х	×	X	X
Oklahoma										
Oregon	-									
Pennsylvania										
Rhode Island										
South Carolina										
South Dakota						_		×	×	×
Tennessee									v	
Texas	-						×	×	×	
Utah						1.000			v	
Vermont						1,033	×	X	Х	×
Virginia	38					 1,718	×	x	×	×
Washington	-					1,/10	^	^	^	· ^
West Virginia	_					_ 1,846				
Wisconsin	_					1,040 —				
Wyoming										
Total	16,961				1	45,628				

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969 (Cont'd)

		URBAN (HUD)	PLANNING	ASSISTANC	E		M	ODEL CITIE	S (HUD)	
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance
Number of States .	21	22	23	20	23	4	3	16	7	13
Alabama	93	x	x		·	_		×		l x
Alaska	ı					_				
Arizona	_					_				
Arkansas	32	×	x	X	×	_				
California	-				×	_				
Colorado	140	×	x	х	x	_				
Connecticut	125	×	×	x	×	20		×		
Delaware	_									
Florida	133	×	×	x	×			x		x
Georgia	160	х	×	×	x	_		×		
Hawaii	192	×				NA		x	x	l x
Idaho	_	Х	×	×	х	_				
Illinois										
Indiana										
Iowa										
Kansas	_				x	_				
Kentucky	_ :	X	x	X	x	10	Х	x	x	l x
Louisiana										
Maine	_					_				
Maryland										
Massachusetts	350					_		×	×	×
Michigan	NA	×	×	×	x	NA		x	x	X
Minnesota	_	×		X	×	_	x		X	
Mississippi	129		x	Х	. x	_				
Missouri	222	×	x	X	×		x	×	×	х
Montana	44	×							,	, ,
Nebraska	_		×	x	х	_				
Nevada										
New Hampshire	2					_		İ		
New Jersey	_ 1					950		×		×
New Mexico	19	Х	x	×	x	NA		x		x
New York	230		, ,	^	^	150		x	×	x
North Carolina	137		×					×	^	^
North Dakota			^					^		
Ohio	99	х	×	×	x	_		×		
Oklahoma	"	^	^	^	^			^		
Oregon	54	x	×		х					
Pennsylvania	~	^	^		^					
Rhode Island										
South Carolina										
South Dakota	_	x	×	×	x					
Tennessee		^	^	^	^					
Texas	44	x	x	x	x					
Utah		^	^	^	^	_				
Vermont	19	x	x	x	×	_				v
Virginia	19	x	×	×	^	- NA		, l		X
Washington	323	x	x]	×	x	IVA		X X		X
West Virginia	_	^	x	^	x	_		^		X
Wisconsin	_		^		^	_				
Wyoming	15	×	x	×	x	-				
		^	^	^	. ^]			
Total	2,562	l			}	1,130	j	l		

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969 (Cont'd)

	AIF	RPORT D	EVELOPME	NT (DOT)		AIR POLLUTION CONTROL (HEW)					
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds Applications	Review & Comment on Local	Approve Local Applications	Provide Technical Assistance	
Number of States .	17	14	19	16	18	8	10	17	12	14	
Alabama	70 —		×		x						
Arizona	41	х	×	x	x	_	×	x	X	×	
Arkansas	99			X	×		×	x	X	X	
California Colorado	1,611 —		×			_	×	x x	X X	×	
Connecticut	_					_					
Delaware	_					_	×	x	×		
Florida	· _					468		x		×	
Georgia			×		1	_		x			
Hawaii	2,028	Х			1	_	×				
Idaho	-							x		X	
Illinois											
Indiana											
Iowa					1						
Kansas						_		x	X	Х	
Kentucky	500	Х	×	X	x	_					
Louisiana											
Maine	767		X	Х	×	_					
Maryland											
Massachusetts	392	Х	X	Х	×	-		×		X	
Michigan	128	Х	×	X	×	149	×	X	X	X	
Minnesota	- 1	Х		X		100				X	
Mississippi	20		X	×	X	15]	X	×		
Missouri	180		×		x	_					
Montana	-				ŀ	_				İ	
Nebraska	_					-					
Nevada		.,		.,	,						
New Hampshire	128	Х	X	X	X	_					
New Jersey	_	Х	Х	×	X	-		×	×) X	
New Mexico	-	v		V	×	4 007					
New York	517	Х	X	×	^	1,027	X		v		
North Carolina North Dakota	_					_	X	×	×	X	
Ohio			x					1			
Oklahoma	_		^								
	23										
Oregon Pennsylvania	20					-	1				
Rhode Island											
South Carolina											
South Dakota	_	х	×	×	x	_					
Tennessee		_ ^	^	,	^						
Texas						148		x		×	
Utah											
Vermont	85	х	×	x	x	NA					
Virginia	827	X	x	×	x	NA					
Washington						400	×	x	X	x	
West Virginia	-	X	×	×	x	_					
Wisconsin	800	X	×	×	x	17	×	x	X	×	
Wyoming	-					_					
Total	8,216					2,324					

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969 (Cont'd)

			R EDUCATI ED CHILDR				COMMU	JNITY ACTIO	ON (OEO)	
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance
Number of States .	3	27	26	29	26	8	4	28	19	26
Alabama	_	×	×	×	×	_		×	×	×
Alaska	_	х	×	×	×	-		:		
Arizona	-	X	Х	×	×			X	×	X
Arkansas	-					_		X		
California	10,156	X		×	×	_				
Colorado	–						Х	X	×	X
Connecticut	–	X	X	×	×	3,959		X		
Delaware	-	X	х	×	×	_		X	х	X
Florida	–		×	×	X	54		×	×	X
Georgia	-	×	×	×	x	-		×		×
Hawaii	_	×				481		×	x	×
Idaho						10		x		
Illinois										
Indiana										
Iowa		l								
Kansas		Х	X	×	X	-				
Kentucky	_					3,300	Х	X	Х	X
Louisiana										
Maine	_	Х	X	×	X	-		X		X
Maryland										
Massachusetts	_					45		X		X
Michigan	NA	X	X	×	×	NA		X	X	X
Minnesota	-			×	×	_		X		X
Mississippi	-	X	X	X,	X					X
Missouri	_			Х		-	×	×	X	X
Montana	-	X	X	X	X	-				X
Nebraska	-	X	X	X		-		X	X	
Nevada										
New Hampshire	-	Х	X	X	X					
New Jersey	-					-				
New Mexico	_	X	X	X	×	NA		X		X
New York	55,808	X	X	X		-		X	X	X
North Carolina						-				
North Dakota										
Ohio		Х	X	X	×	_		x	X	x
Oklahoma										
Oregon	_	x	X	Х	X	-				
Pennsylvania										
Rhode Island										
South Carolina										
South Dakota	-	x	X	X	X	_	Х	x	X	X
Tennessee										
Texas	23,745	x	×	X	Х	_		×	×	X
Utah						_		×	×	х
Vermont	-	x	×	×	Х	_				
Virginia	_	x	×	x	×	305		X		х
Washington	_	X	×	×	×	885		×	×	х
West Virginia		x	×	×	Х	_		×	×	X
Wisconsin	-	×	×	X	×			×	×	х
Wyoming	_	×	×	×	х	_		×	×	X
Total	89,709				İ	9,039				

Table A-4.—STATE FINANCIAL AND ADMINISTRATIVE INVOLVEMENT IN SELECTED FEDERALLY AIDED URBAN PROGRAMS, 1969 (Cont'd)

	SOLID WASTE DISPOSAL (HEW)				JUVENILE DELIQUENCY PREVENTION & CONTROL (HEW)					
	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance	State Funds (\$000)	Channel Federal Funds	Review & Comment on Local Applications	Approve Local Applications	Provide Technical Assistance
Number of States .	13	11	14	11	18	12	14	16	12	16
Alabama	_					6	×	×	×	×
Alaska	-					-				
Arizona	-					_				
Arkansas	. –					-				
California	-					_				
Colorado	20		1		X	_		V		×
Connecticut	_	.,		V		_		X		^
Delaware	14	Х	X	×		_				
Florida	_	×	×	×	×	49	×	×	×	×
Georgia	51	×	^	^	_ ^	NA	x	^	^	^
Hawaii	51	^	1		×	'-	^			
Illinois					, ,					
Indiana]					ĺ	ļ			ł
lowa										
Kansas	_		×	×	×	_				
Kentucky	_		×	×	×	22		×		X
Louisiana										
Maine	_		×		×	6	X	×	×	X
Maryland										l
Massachusetts	25					-	X	X	X	X
Michigan	NA) X) ×	×	X	NA	×	×	×	×
Minnesota	25				×	-				×
Mississippi	11	X	×	1	}	33	X	X	X X	l â
Missouri	-				1	33	×	X	^	^
Montana	-					_	ļ	1	}	}
Nebraska	-					_	ŀ	ŧ		-
Nevada	}					_				
New Hampshire	1			Ì]	_		1		1
New Jersey New Mexico	1	×	×		×	_		İ		1
New York	510	^	x	×	x	50	×	×	×	X
North Carolina	1	x	x	×	×	_			Ī	
North Dakota	'-	"	"					ļ	1	
Ohio	_					_				
Oklahoma	1							[1	
Oregon	24	X	×	×	×	11				
Pennsylvania										
Rhode Island	1	1					1	1	1	1
South Carolina										
South Dakota	-0-			Į.	X	-		×		×
Tennessee								1		
Texas	_					-				
Utah	1					6	×	×	x	×
Vermont	1	×	×	X	×	_	x	×	×	x
Virginia		X	X	l â	x	10	x	×	1	×
Washington		_ ^	^	^	×	-	x	×	×	×
West Virginia					^	10	×	×	×	×
Wisconsin Wyoming					×	1				
-						1				
Total	816		1	1	{	237	1	1	1	1

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