

DECISION-MAKING AND RESOURCE ALLOCATION
IN STATE GOVERNMENT:
A NEW PERSPECTIVE ON REVENUE SHARING
AND STRATEGIES FOR CITY SURVIVAL

by

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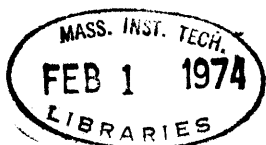
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ABSTRACT

DECISION-MAKING AND RESOURCE ALLOCATION IN
STATE GOVERNMENT: A NEW PERSPECTIVE ON
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Lawrence Elliott Susskind

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With the emergence of revenue sharing and block grants to the states, the American federal system faces a severe challenge. How will cities fare as the balance of power shifts (*i.e.*, as centralized control built up in Washington over past decades is diminished and responsibility for meeting critical urban needs is assigned to the states)? What factors will be important in influencing state allocations of shared revenues and federal grants-in-aid? How might a better understanding of the decision-making processes operating at the state level suggest new approaches to the design and implementation of strategies designed to ensure city survival?

The Partnership for Health Act and the Omnibus Crime Control and Safe Streets Act passed in 1966 and 1968 were the forerunners of block grant revenue sharing. Both programs have been in operation long enough to shed some light on the potential advantages and disadvantages of the block grant approach to managing intergovernmental fiscal transfers. Under the Law Enforcement Assistance Administration (LEAA) established by the Omnibus Crime Control Act and under section 314(d) of the Partnership for Health bill, the states were given responsibility for the administration of block grant funds to be channeled through to cities and towns. The LEAA and 314(d) experiences in Massachusetts from 1967-1972 suggest that there are hidden incentives and controls embedded in the administrative culture of state government that shape resources allocation decisions in ways likely (1) to threaten the long-run

fiscal survival of medium-sized cities (under 100,000) and (2) to inhibit consumer or community-oriented efforts to promote fundamental reform in unworkable service delivery systems.

Previous attempts to model decision-making in state government have postulated certain crude relationships among socio-economic inputs, political system characteristics, and policy outcomes. I have tried to construct a more complete model of administrative behavior that takes into account both "external" constraints (such as laws and guidelines, legislative-politics, and plan-making requirements) and "internal" constraints (including the norms of professional conduct, perceived administrative survival needs, and the need for administrative gratification) that shape decision-making in our intergovernmental system.

Given a more complete understanding of resource allocation and decision making at the state level, it is not difficult to strike down the prevailing myths associated with President Nixon's special revenue sharing proposals. Drawing on the LEAA and the 314(d) experiences in Massachusetts, as well as on my model of state administrative behavior, I have tried to articulate a more powerful federal strategy aimed at meeting the special needs of the poor and the disadvantaged in urban areas. To a great extent, city survival may depend on an expanded national commitment to categorical grant programs as well as on a move away from block grants to the states (special revenue sharing). The most highly redistributive strategies (and thus the most desirable from the standpoint of the urban poor) would involve national assumption of welfare costs, balancing grants to metropolitan areas, and a streamlined system of categorical grants-in-aid. It is important to keep in mind, though, that urban areas have special needs that transcend the welfare needs of particular segments of the population. Thus, strategies designed to redistribute income must be balanced with strategies that focus on the management of other aspects of national urban growth and development.

Thesis Supervisor: Lloyd Rodwin, Head
Ford International Professor

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Over the past several years, I have received generous encouragement and assistance from Lloyd Rodwin, Aaron Fleisher and Robert Fogelson. Their contributions to my graduate education have been very special and terribly important to me. Should I achieve any measure of success, they certainly deserve a great deal of the credit. For the shortcomings of my work, though, I bear full responsibility.

A great many local, state, and federal officials provided generously of their time; I owe them a special note of thanks. Their assistance was invaluable. They helped me to cast aside the superficial stereotype of government officials that I had been foolish enough to accept. Hopefully, I am now better prepared to teach about planning in our federal system and to assist in the all-important task of rebuilding our cities.

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Introduction

In order to explain the successes and failures of various intergovernmental grants-in-aid (and to predict the outcome of block grant revenue sharing and other alternatives to the current system of intergovernmental fiscal transfers), it is necessary to keep several things in mind. First, the responsibilities assigned to each tier of government are continually changing. As the "balance of power" fluctuates, strategies for planning and management must shift accordingly. Second, even the most carefully articulated domestic programs can bog down. This is true, perhaps, because there are few if any generally accepted principles to guide the design of intergovernmental administrative arrangements. Finally, future efforts to ensure the political and fiscal survival of American cities must take account of the implicit "decision rules" that influence resource allocation in the public sector. Hidden incentives and controls have sabotaged even the most carefully thought-out intergovernmental grant-in-aid programs.

Background

The Advisory Committee on Intergovernmental Relations has suggested that the success of our federal system depends in large part on the "workability" of intergovernmental grants-in-aid:

[Grants-in-aid can] reconcile state and local administration of public services with federal financial support for programs of national concern. Grants-in-aid, conditioned on performance requirements, can make possible the achievement of national goals without overextending the federal bureaucracy and without federal assumption of state and local functions. By means of grants-in-aid the federal government [can] support existing state and local functions [as well as] stimulate the state and localities to expand their own programs and to undertake new ones.¹

By the early 1970's it was clear that the traditional approach to managing fiscal transfers was not working particularly well. In fact, political leaders of both major parties had long since condemned various categorical approaches to grants-in-aid. Unfortunately, almost all efforts to correct alleged deficiencies have fallen far short of their mark. What is more, there is every reason to believe that further attempts to improve the functioning of our federal system are also likely to fail. My aim is to show why intergovernmental grants-in-aid have not done their job and to suggest why block grant revenue sharing--

¹ Advisory Commission on Intergovernmental Relations, Metropolitan America: Challenge of Federalism (Washington, D.C.: 1970), p. 121.

the latest and most popular "solution" to the dilemmas of intergovernmental grant management--also has very little chance of succeeding.

Past attempts to reform or adjust the grant-in-aid system have produced unexpected results (most, if not all of them, undesirable). This may suggest that somewhere beneath the rhetoric of legislative intent and the constraints imposed by layers of administrative guidelines there lurks a hidden system of incentives and controls that we have not yet learned how to manipulate properly. Under the circumstances, it is hard to know what "strings to pull" or what levers to trip. There is evidence to suggest that in trying to implement national strategies to promote city development, ensure environmental protection, and enhance social and economic opportunities for the poor, a whole range of unarticulated "decision rules" have been overlooked.

The two grant-in-aid programs discussed in this dissertation--The Partnership for Health (P.L. 89-749) and the Safe Streets and Law Enforcement Assistance Program (P.L. 90-351) provide a backdrop against which to view many of these issues. Moreover, since both were forerunners of the consolidated block grant approach proposed

by President Nixon as part of his "New Federalism,"² they come as close as possible to providing a test of the Nixon administration's notion of special revenue sharing. In essence, they offer a preview of what is likely to happen under a grant-in-aid system administered not by the national government, but by the states.

² Daniel Elazer writing in Vol. 2, No. 1 of PUBLIUS (the Journal of Federalism), reports that in January 1970, William Safire, special assistant to President Nixon, circulated an eighteen-page mimeographed document entitled, "New Federalist Paper No. 1," signed with the pseudonym, Publius. The thrust of Publius' argument (which was later attributed by columnists Evans and Novak as much to the President as to Mr. Safire) was summed up in the following paragraph:

"A sea-change in the approach to the limitation of centralized power—part of what is 'new' in the new Federalism—is that 'states' rights' have now become rights of first refusal. Local authority will now regain the right to Federal financial help; but it will not regain the right it once held to neglect the needs of its citizens. States' rights are now more accurately described as states' duties; that is a fundamental change in Federalism, removing its great fault without undermining its essential local-first character . . .

Publius in effect was suggesting the replacement of true federalism or non-centralization, which involves the rights of states and localities not only to determine what is proper for their citizens in the way of services, but to be neglectful and even to make mistakes, with a new concept that can only be labeled administrative decentralization in which all significant policies will be made in Washington with their administration left in state and local hands.

Elazer also reports that Tom Huston, another special assistant to President Nixon, extended the debate in a paper entitled, "Federalism: Old and New or the Pretensions of New Publius Exposed," in which he argued for the constitutional dispersion of power that is the true hallmark of federalism and pointed out the dangers inherent in the substitution of administrative decentralization for it.

These two papers plus responses written by Richard Nathan (then in

Far too little attention has been paid in recent years to the role of state government. With a few notable exceptions (referred to in the chapters that follow), planners and political scientists have been preoccupied with the ways in which political and economic factors have tended to influence decision-making and resource allocation at the local and national levels. Now, though, it is no longer feasible to ignore the states. They have secured a much larger role for themselves in the future development of rural portions of the country, and it seems certain that they are destined to play an increasingly important role in the allocation of resources necessary for the continued fiscal survival of cities and major metropolitan areas.

The Scope of This Study

Three general questions help to define the scope of my inquiry. First, how will cities fare when the balance of power in the federal system shifts (i.e., when centralized control built up in Washington over the past decade is diminished and responsibility for meeting critical urban needs is assigned to the states)? Second, if some form

the Office of Management and Budget) and Wendell Hulcher (then Assistant Director of the Office of Intergovernmental Relations) are presented in the Spring 1972 issue of PUBLIUS.

of block grant revenue sharing is adopted, how are the states likely to use the unrestricted funds that come their way and what factors will influence their allocation?³ Third, how might a better understanding of the decision-making processes that operate at the state level suggest new approaches to the design and implementation of strategies to ensure urban fiscal survival?

Six specific questions help to focus the research still further: (1) Have state governments spent federal funds wisely when stringent planning and grant management requirements have been lifted? (2) Have local governments, particularly those in urban areas, received an equitable share of block grant monies distributed by the states? (3) Have states hoarded federal funds in an effort to hold down tax rates or to reduce prevailing public expenditure levels? (4) What impact might alternatives to the current grant-in-aid system have on the movement of workers from resource-poor areas to regions where suitable employment opportunities and improved public services are available? (5) Have recent experiences with the Partnership for

³ In the course of my research, Congress "settled" the general revenue sharing issue at least temporarily by passing the State and Local Assistance Act of 1972. When general revenue sharing is mentioned throughout the dissertation it refers generally to the idea of fiscal transfers from the federal to municipal governments and not specifically to the Revenue Sharing Bill passed by the 92nd Congress.

Health and the Safe Streets Program indicated whether or not the block grant approach to intergovernmental planning and management is likely to benefit inner city areas? and (6) Are additional "strings" or restrictions on the ways in which states spend federal block grants necessary to ensure greater "resource equalization" among the various units of government?

At the outset, I intended to analyze the Partnership for Health and Safe Streets Programs in Texas, Illinois and Massachusetts: three highly urbanized states with well-regarded administrative capabilities. For a variety of reasons I ended up limiting my study to Massachusetts. Financial and time constraints made extensive travel infeasible. Preliminary discussions with colleagues in Texas and Illinois indicated that it would be difficult, if not impossible, to gain access to the necessary information. In addition, the analysis I proposed to do required a highly developed sense of the political "goings on" in each state. Since my direct involvement with state government up until that time had been limited to Massachusetts, I felt it would be a mistake to try to take on all three states. Moreover, it was clear that studies similar to mine were just getting underway elsewhere in the country and I would have access to comparable information even if I did not collect it myself.

Theoretical Starting Points

Although it is generally acknowledged that state legislators, governors, agency administrators, mayors, and community representatives influence the allocation of federal funds at the state level, no one has yet modelled this "influencing process." William Gamson has suggested two different ways of viewing the process of "influencing":

One view takes the vantage point of potential partisans and emphasizes the process by which such groups attempt to influence the choices of authorities or the structure within which decisions occur. The second view takes the vantage point of authorities and emphasizes the process by which they attempt to achieve collective goals and to maintain legitimacy and compliance with their decisions in a situation in which significant numbers of potential partisans are not being fully satisfied.⁴

In support of the first perspective, Gamson cites the work of "the interest group" theorists (Lassell, Key, Truman, and Latham) along with the work of "the political party" theorists (Schumpeter, Schattschneider), "the basic conflict group" theorists (Marx, Dahrendorf), and finally the "elite group" theorists (Pareto, Mosca, and C. Wright Mills). In summarizing the themes common to the writings of these authors, Gamson underscores (1) their orientation toward actors in the system rather than toward the system

⁴ William Gamson, Power and Discontent (Homewood, Illinois: Dorsey Press), 1968, p. 2.

as a whole; (2) their concern for the strategy of conflict rather than with the regulation of conflict. That is, their concern for how groups try to get what they want and the conditions under which they succeed, rather than for the consequences of such attempts for the stability or integration of the political system as a whole. And (3) their view of discontent as an opportunity or a danger for particular subgroups, not as a problem of social control.⁵

The second perspective that Gamson mentions, deals primarily with "the collective purposes to which power is put."⁶

It is concerned with the power of the system, i.e., the ability of a society to mobilize and generate resources to attain societal goals. If one had to reduce this perspective to a [single] question . . . it might be: How does leadership operate to achieve

⁵ Ibid., p. 10.

⁶ Ibid., p. 11. It is this perspective, Gamson suggests, that Parsons brings to his critique of Mills' The Power Elite. Mills adopts one main version of power, a zero-sum, or more precisely, a constant-sum conception.

"The essential point . . . is that, to Mills, power is not a facility for the performance of function . . . on behalf of the society as a system, but it is interpreted exclusively as a facility for getting what one group, the holders of power, wants by preventing another group, the 'outs,' from getting what it wants."

Granting that power has a distributive aspect,

"it also has to be produced and it has collective as well as distributive functions. Power is the capacity to mobilize the resources of the society for the attainment

societal goals most efficiently while at the same time avoiding costly side effects?⁷

Clearly, this second perspective suggests a different set of questions; it is concerned not with the distribution of private goods but with the achievement of collective purposes. Those who adopt the first perspective are concerned with the relative advantages and disadvantages of various actors in the system while those who are more interested in planning for public purposes ask about the relative efficiency or effectiveness of different forms of social or governmental organization.

There are other aspects of this second perspective that are important such as a prevailing concern for the regulation of conflict and an emphasis on the role of governments as conflict regulators or brokers for competing demands. The conflict regulators see discontent as a source of instability and assumes that a well-designed governmental system must have ways of alleviating underlying strains by channeling political expression in an orderly fashion.⁸

of goals for which a general 'public' commitment has been made, or may be made."
(Talcott Parsons, Structure and Process in Modern Societies, New York: The Free Press, 1970, pp. 220-221.)

⁷Ibid.

⁸Ibid., p. 16.

In summarizing the unifying concerns of the second, or what he calls the "social control perspective" Gamson cites a concern for the regulation of conflict and for the question of how power struggles among actors may impair the ability of the system to achieve collective goals. He also highlights discontent as a system management problem rather than an opportunity for actors to increase their influence.

In terms of evaluating block grants and other approaches to managing intergovernmental grants-in-aid, both perspectives provide useful starting points. It is important, for example, that the federal system and the various programs that it undertakes be organized efficiently. On the other hand, we ought to be especially concerned about the ways in which cities are treated if for no other reason that that they house a disproportionate share of the poor and disadvantaged people in this country.

Thus, I would argue that it is necessary to be concerned about the relative strengths of particular interest groups and the extent to which each is able to command an equitable share of the available resources. In short, I am suggesting that cities, or more precisely clusters of cities of certain sizes, should be viewed as interest groups within the federal system. Planners involved in

the design of intergovernmental grant-in-aid programs need to be concerned not only about finding the most efficient alignment of fiscal resources and decision-making powers, but also about serving the special and different needs of cities.

Models of Decision-Making in State Government

State politics conjure up images of wheeling-and-dealing "machine" politicians, back-room payoffs, and do-nothing bureaucrats protected by outdated civil service regulations. Perhaps it will come as a surprise to some, therefore, that the forces of professionalism, bureaucratization, and administrative reorganization have wrought startling changes in recent years in the character and style of state government. No defense of the status quo is intended, but there is a need to look more carefully at what has become an especially large and powerful component of our federal system. In light of recent proposals put forward by the President and the Congress aimed at enhancing the power of state government, it may be the state (rather than the national) level is where "the action" is likely to be over the next decade.

Professors Dye, Sharkansky, and others have used various correlation, regression, and historical trend techniques to explain why some states spend more money for particular

purposes than others.⁹ Their efforts to determine the relative importance of various economic and political factors have not been particularly instructive. James Q. Wilson suggests that "although most of these studies have used certain political variables, few have used any measure of the distribution of influence."¹⁰ For example, they have found that the single best explainer of variations in state expenditure patterns is the level of state expenditure in previous years.¹¹ This, of course, comes as no surprise. Such findings are of little help to public officials or citizens groups anxious to improve their ability to manipulate the levers of power. By mapping and probing certain interactions among political actors and governmental agencies, it should be possible to determine whether or not there are hidden incentives and controls that influence resource allocation decisions in state government.

⁹ See Thomas R. Dye, Politics, Economics, and the Public (Chicago: Rand McNally, 1966); Ira Sharkansky, Spending in The American States (Chicago: Rand McNally, 1968); Ira Sharkansky and Richard I. Hofferbert, "Dimensions of State Politics, Economics, and Public Policy," American Political Science Review, 63 (Sept. 1969), pp. 867-879; Richard Hofferbert, "The Relation Between Public Policy and Some Structural and Environmental Variables in The American States," American Political Science Review (March, 1966).

¹⁰ James Q. Wilson, ed., City Politics and Public Policy (New York: John Wiley and Sons, 1968), p. 4.

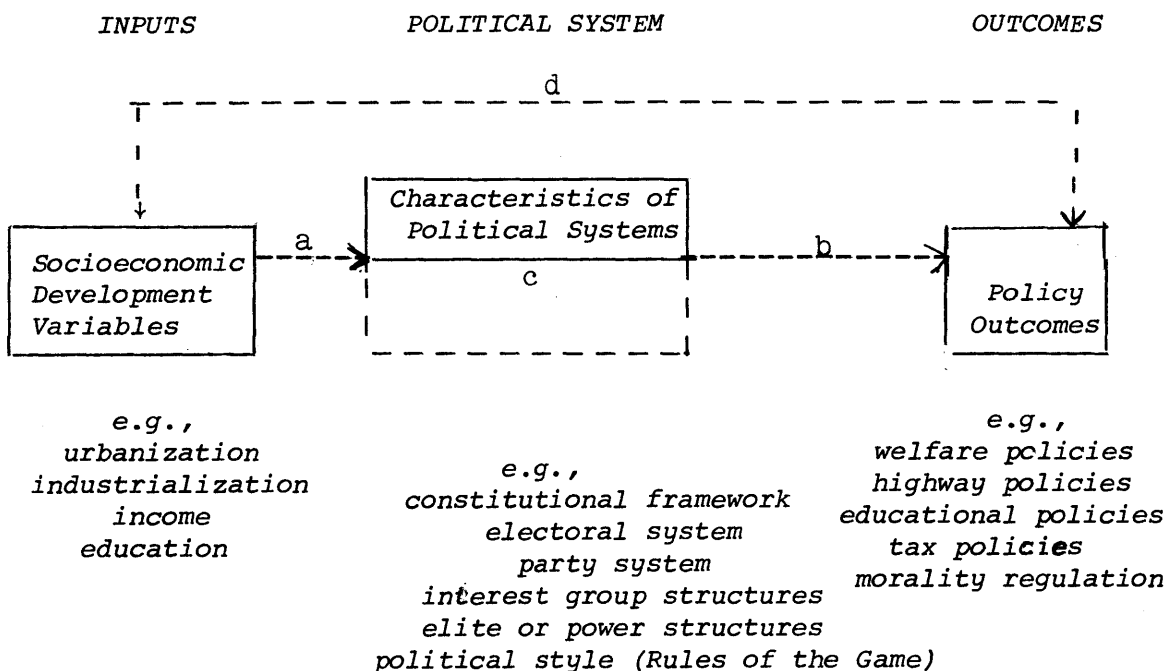
¹¹ Sharkansky, Spending in The American States, op. cit.

Until administrative and political behaviour in state government can be explained more effectively, planners and policy makers will be forced to operate on a dangerous trial and error basis.

Models of decision making in state government are built around certain crude postulates regarding socio-economic inputs (forces), political system characteristics (systems), and policy outcomes (responses).¹² These have been represented as follows:

¹²Dye, Politics, Economics and The Public, op. cit., p. 3.

A Model for Analyzing Policy Outcomes
in American State Politics¹³



¹³ This conceptualization is based on David Easton, A Framework for Political Analysis (New York: Prentice Hall, 1965), pp. 23-76. Thomas Dye explains that

"linkages a and b suggest that socio-economic variables are inputs which shape the political system and that the character of the political system in turn determines policy outcomes. These linkages represent the most common notions about the relationship between socio-economic inputs, political system variables, and policy outcomes. They suggest that some variables have an important independent effect on policy outcomes by mediating between socio-economic conditions and these outcomes. Linkage c on the other hand suggests that socio-economic variables affect public policy directly, without being mediated by system variables. Of course, public policy is still formulated through the political system, but linkage c suggests that the character of that system does not independently influence policy

For the most part, these models have been empirical rather than normative. That is, they have attempted to highlight the main determinants of public policy choices but not to explain the implicit political and institutional processes at work or to describe what the outcomes of public policy ought to be.¹⁴ What is lacking is a prescriptive model of decision-making in state government that can explain the relationships among specific public policies, institutional structures as well as desired policy outcomes.¹⁵

Previous modelling efforts have emphasized trivial explanatory variables. For example, demographic characteristics (such as the state's socio-economic mix) are most often used to explain differences in policy outcomes (expenditure patterns). Variables which are more difficult to

outcomes. Hence the linkage between socio-economic inputs and policy outcomes is unbroken. Feedback linkage d suggests that policy outcomes have reciprocal impact on sociological conditions and system characteristics."

Dye, op. cit., p. 4.

¹⁴The distinction between normative and empirical models is discussed in more detail in Vernon Van Dyke, Political Science: A Philosophical Analysis (Stanford University Press, 1960), pp. 6-13.

¹⁵Prescriptive models are described more elaborately in Daniel Lerner and Harold Lasswell, eds., The Policy Sciences (Stanford: Stanford University Press, 1960), pp. 3-15.

measure (such as information flows, interagency competition, internal professional relationships, and the ways in which goals are formulated or authority is legitimated) are rarely studied.

Efforts to analyze decision-making in government have concentrated on environmental characteristics (such as population change, party identification, and levels of community participation). Attempts to correlate these variables with policy outcomes almost always yields a weak relationship of one kind or another. Unfortunately, such correlations explain very little. Moreover, the most powerful explanatory factors are often insensitive to policy manipulation. For example, variations in state educational policy (expenditures) have been shown to be highly correlated with inter-party competition.¹⁶ What can a public official or neighborhood group do to effect inter-party competition? At best, this suggests a very roundabout approach to institutional reform!

Although extensive inventories of what goes into and what comes out of the decision-making machinery exist, when confronted with the task of directing public policies at the state level toward specific outcomes, we are still

¹⁶Dye, Politics, Economics and The Public, op. cit., pp. 74-114.

dealing more or less with a "black box." Efforts to describe decision rules in terms of socio-economic or "environmental" inputs have not yielded particularly interesting or useful results.

Generalizing from the experience of one state or from two limited case studies is a hazardous business. Yet there may be something to be said for an intimate and systematic review of a small number of cases. Hopefully the chapters that follow will suggest new ways in which administrative incentives and controls might better be manipulated to guide decision-making and resource allocation in state government, and intergovernmental grants-in-aid might be managed in order to increase the chances of meeting the needs of the poor and the disadvantaged in urban areas. If these suggestions turn out to be useful in one state, they may be instructive for other states as well.

Organization of the Dissertation

In Chapter I, several alternatives to the traditional system of grants-in-aid are examined. This overview is designed to put concepts such as revenue sharing and block grants into their proper perspective, and to document shifts that have occurred over the past decade in the nature of the political debate about intergovernmental fiscal transfers.

Chapter II portrays the recent re-emergence of state government as a potent force in the American federal

system. The following questions are addressed: What accounts for continued shifts in power among the various levels of government? Which pressure groups and coalitions have succeeded in promoting grant-in-aid reforms? What forces lined up in the late 1960's behind the block grant provisions of the Partnership for Health Program and the Safe Streets Act? And what did these groups expect to gain?

Chapter III presents a critique and an evaluation of the block grant feature of the Safe Streets and Law Enforcement Assistance Act of 1968 and deals with a number of issues in the Massachusetts context. Has the program had an impact on rising crime rates? How have decisions been made to allocate Safe Street funds? Have all cities benefited from this program? Have the original goals of the program (spelled out in the legislation) been met? What tends to determine whether or not cities are able to secure a "fair share" of the block grant funds allocated by the state?

Chapter IV presents an assessment of the block grant component of the Partnership for Health Program. I have tried to determine how the program has worked in Massachusetts and whether or not block grants have been used to support innovative approaches to health care

delivery. I was also interested to learn whether or not the Partnership for Health funds were used to meet the special needs of urban areas and whether unexpected institutional or political barriers have impeded the success of the program.

In Chapter V, the successes and failures of the block grant approach to intergovernmental grant management are summarized. A number of generalizations are offered (based not only on the two case studies presented here but also on evidence from comparable studies in other states). I have tried to determine whether or not constraints such as planning requirements imposed at the national level affect the ways in which cities are treated by states and also how various incentives and controls might be manipulated to ensure certain city interests more of a say in the allocation of funds at the state level. The chapter concludes with a review of the key variables that must be included in any model built to predict how federal block grants will be allocated by the states.

Chapter VI addresses the following questions: If states are not pushed by the federal government to deal with the problems of inner city residents, can they be relied upon to do so of their own accord? Should the trend toward

greater decentralization of federal programs be encouraged? Does the overall experience with the Partnership for Health and the Safe Streets programs suggest the need for a new approach to national planning to meet critical urban needs? The last chapter and the dissertation conclude with a number of recommendations regarding the need for and a preliminary outline of a concerted national strategy designed to deal with the problems of urban fiscal survival and metropolitan development.

Chapter I: Federal Grants-in-Aid and the
Emergence of Revenue Sharing

Lyndon Johnson wanted very much to overhaul the federal categorical grant-in-aid system. He hoped to ease the administrative burdens on local and national officials who had become entangled in "red tape" and bureaucratic inefficiency. The Congress, however, seemed more interested in drastic political and fiscal reforms (such as tax sharing) that would reassign revenue-raising and allocation responsibilities. President Johnson's rather modest plans for simplification and reform were trampled in the rush for a revenue scheme that could prop up state and local governments allegedly caught in a severe financial squeeze. In 1968, Richard Nixon was able to rally both liberal sentiment for intergovernmental reform and conservative pressure for a shift toward governmental decentralization around his own personal brand of revenue sharing.

The State and Local Assistance Act of 1972, a compromise version of the conservatives' revenue sharing plan and the Democrats' notion of grant reform, was the result. The block grant approach to consolidating categorical grants-in-aid was incorporated into the special revenue sharing proposals submitted by President Nixon (which did not pass in 1972) and the State and Local Assistance Act of 1972 (which, of course, was enacted). A new phase in the continued evolution of the American federal system had begun.

Background

Our federal system is one in which the national government, the states, and over 80,000 localities share the burdens of financing and administering the great domestic programs of the country. The larger governments take primary responsibility for raising revenues and setting standards; and the smaller units are supposed to handle the details of program administration.¹ The Congress continues to scrutinize these intergovernmental arrangements and each review produces a new batch of proposals for tuning or balancing.

It is not possible to determine who should be held accountable for the failures of the American federal system.

Clearly, the shortcomings of our intergovernmental approach are not the fault of one person, one agency, or one unit of government.

Riots, tensions, unmet needs, frustrations, and disillusionment are caused as much by local attitudes and ineffective public management as they [are] by indifferent and discriminatory policies of state agencies, or by

¹Daniel J. Elazer, American Federalism: A View from the States (New York: Thomas J. Crowell Co., 1972), (Second Edition) p. 47. For a more complete description of the involved nature of the American federal system, see Morton Grodzins, The American System: A New View of Government in the United States, edited by Daniel J. Elazer (Chicago: Rand McNally, 1966), and W. Brooke Graves, American Intergovernmental Relations (New York: Charles Scribner and Sons, 1964).

ineffective administration of federal programs [at the national level].²

One overriding weakness of our governmental system, is that we can not agree on how best to use the tools of federalism. The debate about intergovernmental fiscal transfers, for example, never ceases. Categorical grants-in-aid (defined technically as the payment of funds by one level of government to be expended by another level for a specified purpose, usually on a matching basis and in accordance with a prescribed set of standards) are continually adjusted. Although intergovernmental fiscal transfers have been part of our governmental system since its earliest days, there has always been disagreement about how such arrangements ought to be handled. In the last few years, the debate has intensified. Proposals calling for a switch to some form of revenue sharing (this refers to a number of plans that would have the national government provide a general and less conditional form of financial aid to state and local governments) have received nation-wide attention.

Walter Heller has suggested that an optional grant-in-aid system would serve to unite federal financing with state-

² Hearings before the Subcommittee on Intergovernmental Relations of the Committee on Government Operations, United States Senate, 89th Congress, second session, Creative Federalism, p. 2.

local performance in "a fiscal marriage of convenience, necessity and opportunity." He argues that grants-in-aid enable the Federal government to single out and support those state and local services in which there is an identified national interest, particularly those services like education and health, whose benefits in a country with a mobile people spill over into communities and states other than those in which they are performed. Categorical aides enable the Federal government to put a financial floor under the level of specific services that is consistent with our national goals and priorities. Without this financial support the states and municipalities might not be able to meet demands for essential public services. Failure to meet the demands might eventually mean yielding these functions to the Federal government, thereby weakening the fabric of federalism. Also, conditional grants enable the Federal government to apply national minimum standards, ensure financial participation at the state and local levels through matching requirements, and take both fiscal need and fiscal capacity into account.³

Over the years, grants-in-aid have been designed to serve a number of different purposes: to stimulate action at

³ Walter W. Heller, New Dimensions of Political Economy (Cambridge: Harvard University Press, 1966), pp. 141-142.

the state and local level, to guarantee a minimum level of services for certain segments of the population, and to ease specific hardships.⁴ Some grants have been aimed at achieving interstate equalization of resources or at producing economic stabilization. And, in still other cases, federal grants-in-aid have been used to demonstrate the feasibility of innovative approaches to dealing with pressing public problems.

Whether measured in numbers, in aggregate or functional outlays, or as a proportion of state-local or federal finances, federal grants have increased significantly over the past two decades.⁵ Total federal aid to state and local governments grew from \$7 billion in 1960 to nearly

⁴Deil Wright, Federal Grants-in-Aid: Perspectives and Alternatives (Washington: American Enterprise Institute, 1968), p. 5. Wright suggests that stimulation can mean the encouragement of action in a field where none existed previously, or it may mean the elaboration and extension of an existing program. He points out that grants to guarantee a minimum level of services are best characterized by the early "flat grant" program in vocational education. The distinguishing feature of flat grants is that they allocate equal (or minimum) amounts of money to each state, frequently without any kind of matching requirement. Insofar as special hardship grants are concerned, the Congress occasionally enacts a grant program aimed at alleviating special or unusual difficulties such as those caused by floods. In some instances hardship grants may be available on a continuing basis as in the case of aid to schools in federally "impacted" areas.

⁵Ibid., p. 8.

\$28 billion in fiscal 1971, or at an average annual rate of 12% (see Table I). The national government's contribution now equals more than 20% of all state and local expenditures (see Table II).

During the early 1960's, when emphasis at the national level shifted to urban-oriented concerns, grant-in-aid programs increasingly tended to bypass the states or to involve them in only the most peripheral ways. In some instances allocation formulae were used to equalize interstate and intra-state income differences.⁶ In addition, grants intended primarily for state and local governments were made available to certain voluntary/nonprofit groups performing quasi-public functions. Trends such as these substantially affected the distribution of power among the various levels of government. In a relatively short time, the national government grew much more powerful. Its strength and control increased through the collection and disbursement of tax monies and grants-in-aid.

⁶ Wright points out that equalizing grants "take into account the relative ability (or fiscal capacity) of a state to support a program. States with lesser fiscal capacities are granted proportionately more funds . . . usually through an allocation formula that reflects a state's per capita personal income. The net effect is geographic redistribution of wealth, a transfer of revenues from high income to lower income areas."

Table I

FEDERAL-AID OUTLAYS IN RELATION TO TOTAL
FEDERAL OUTLAYS AND TO STATE-LOCAL REVENUE

<u>Fiscal year</u>	<u>Amount (\$ millions)</u>	<u>Federal Aid</u>		
		<u>As a percentage of</u>		
		<u>Total federal outlays</u>	<u>Domestic federal outlays^a</u>	<u>State-local revenue^b</u>
1959	\$ 6,669	7.2%	15.9%	13.5%
1960	7,040	7.6	16.4	12.7
1961	7,112	7.3	15.4	12.0
1962	7,893	7.4	15.8	12.3
1963	8,634	7.8	16.5	12.5
1964	10,141	8.6	17.9	13.4
1965	10,904	9.2	18.4	13.4
1966	12,960	9.7	19.2	14.2
1967	15,240	9.6	19.5	15.3
1968	18,599	10.4	20.9	16.9
1969	20,255	11.0	21.3	17.4
1970 estimate	24,119	12.2	21.8	18.2
1971 estimate	27,624	13.8	23.0	^c

^aExcluding outlays for defense, space, and international programs.

^bExcludes state-local revenue from publicly-operate utilities, and liquor stores.

^cNot available.

Source: Special Analyses: Budget of the United States, Fiscal Year 1971, p. 226.

Table II

PERCENTAGE DISTRIBUTION OF FEDERAL AID TO
STATE AND LOCAL GOVERNMENTS BY FUNCTION

<u>Function</u>	<u>1950 (actual)</u>	<u>1955 (actual)</u>	<u>1960 (actual)</u>	<u>1965 (actual)</u>	<u>1971 (estimate)</u>
Agriculture and rural development	5%	8%	4%	5%	4%
Natural resources	2	3	2	2	3
Commerce and transportation	21	19	43	40	19
Community development and housing	a	3	3	5	11
Education and manpower	11	14	10	10	17
Health	5	4	4	7	14
Income security	55	47	33	29	28
Other	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>4</u>
Total	100%	100%	100%	100%	100%

^aLess than 0.5%.

Source: Special Analyses: Budget of the United States, Fiscal Year 1971, p. 220.

By the late 1960's, some observers concluded that the time had come to decentralize public responsibility and to allow state and local governments a greater degree of autonomy. Congressional investigations revealed that grant-in-aid programs were plagued by a range of administrative and political problems. Leaders of both parties and politicians of all persuasions took turns trying to devise alternatives to the categorical grant system. Proposals ranged from minor adjustments aimed at simplifying and streamlining categoricals to tax credits or revenue-sharing approaches that called for a total overhaul of the federal fiscal system. Unfortunately, all the Congressional probes and wide-ranging academic studies yielded little if any agreement on the merits of specific alternatives. By 1970, there were over 500 categorical grant-in-aid programs and no uniform grant-in-aid policy.

Congressional and Executive Concern About the Scope and Character of the Intergovernmental System

Federal-state-local relationships have undergone careful scrutiny time and time again. In 1949, the first Hoover Commission analyzed the workings of the entire Executive Branch of government (that had grown mightily during the 1930's and 1940's) and recommended a shift to a system of broad, consolidated grants as well as the creation of

a continuing agency on federal-state relations.⁷ In 1953, the Congress established a Commission on Intergovernmental Relations to study the role of the national government in relation to state and local governments, to review intergovernmental fiscal relations, and to assess grant-in-aid programs. In June of 1955, the Commission issued a report documenting the on-going evolution of the American federal system (focusing especially on the constitutional basis for continued re-alignment of responsibilities among the various levels of government) and the need for more state leadership, more local home rule, fewer and stronger local

⁷ Specifically, the Commission made five recommendations:

1. That the functions and activities of government be appraised to determine which could be most advantageously handled by each level of government, and which required joint policy-making, financing or administration.
2. That our tax systems--national, state, and local--be revised to provide localities and states adequate resources with which to meet their debts and responsibilities.
3. That all grants-in-aid given to state governments be directly allocated in detail at the federal and state levels.
4. That grant-in-aid planning programs be clarified and systematized.
5. That an agency be set up to provide information and guidance in the field of federal-state relations.

Federal-State Relations: A Report to the Congress (Washington: U. S. Government Printing Office, 1949). See also the Council of State Governments, Federal-State Relations (Washington: Senate Document No. 81, 81st Congress, first session, 1949).

units of government, and for the development of solutions to the crucial problems of metropolitan areas.⁸ The Commission also emphasized the need for overall economic expansion, coupled with price "controls" and tax expenditure restraints as the best approach to the resolution of inter-governmental fiscal problems. Finally, they rejected the notion that the equalization of the fiscal capacities of the states was in itself a proper objective of federal grant-in-aid policy.

In 1957, President Eisenhower urged the formation of a joint federal-state action committee to recommend shifts in responsibilities and fiscal resources from the federal government to the states. In 1959, the Joint Action Committee was superceded by the permanent Advisory Commission on Intergovernmental Relations. Since that time, the Advisory Commission has undertaken a wide range of studies on federal, state, and local problems and has recommended

⁸ The Commission report is usually referred to as the Kestnbaum Report (after Commission Chairman Meyer Kestnbaum). The Commission on Intergovernmental Relations, Report to the President for Transmittal to the Congress. In addition, the Commission published a series of sixteen special reports and supporting documents. For a summary of the Commission's reports see William Anderson, "The Commission of Intergovernmental Relations and the United States Federal System," Journal of Politics, May, 1956, pp. 211-231.

policies and legislation dealing with a host of inter-governmental issues.

In 1964, President Lyndon Johnson pointed to the need for a new approach to intergovernmental cooperation. He called for "a creative federalism between the national capital and the leaders of local communities." In his State of the Union message in 1966, he announced the appointment of still another Commission to study federal, state, and local governmental relations and to develop further the concept of creative federalism.⁹ He hinted that all future grants-in-aid would be directed at specific problems in particular geographic areas and that grants would carry fewer federal requirements dictating how programs ought to be run. His intention was to encourage state and local governments to develop their own unique solutions to local problems. A number of other plans and proposals for intergovernmental reform also surfaced in the mid-1960's. The most widely publicized proposal was the Heller-Pechman plan which would have provided block grants to the state (distributed largely on the basis of population) with few

⁹ Joseph Pechman, director of economics at the Brookings Institutions, headed the Task Force which was assigned the task of deciding how Heller's plan might best be put into effect. Since that time, the names Heller and Heller-Pechman have become synonymous with tax sharing. Congressional Quarterly, April 7, 1967, p. 523.

restrictions on how funds could be used.¹⁰ The Republican National Committee which strongly endorsed the Heller plan argued that

the solution to the problems of states slowly strangling for lack of funds amid the fiscal abundance of the national government must be one which emphasizes the independence of the states and not a system which ties them further to Washington.

The Republicans also favored a series of functional grants to states in broad areas such as mental health, education,

¹⁰ Heller referred to his proposal as "per capita revenue sharing." He suggested that, over and above federal grants-in-aid for specific purposes, the government ought to distribute to the states 1 to 2% of the taxable income reported by individuals with "next to no strings attached." He agreed that the use of taxable income as a base would offer stability and keep the states from acquiring vested interests in what the tax rates were. The funds would be distributed to the states on a per capita basis. Some of it, 10% or 20%, could be set aside to supplement states of either low per capita income or high urbanization. Heller intended for states that reduced their own tax effort to get reduced amounts of federal money.

Most of the Republican bills introduced in the mid-1960's followed the Heller-Pechman plan but were based on a somewhat different formula devised by Richard Nathan (also of the Brookings Institution). Most of the Republican bills were identical to HR 4070 introduced by Representative Charles Goodell of New York, Chairman of the House Republican Planning and Research Committee. Goodell's bill differed from Heller's plan in that HR 4070 proposed to allocate 3% of the preceding year's federal personal income tax revenue for tax sharing in 1968 and 1969, 4% for fiscal 1970, and 5% for fiscal 1971. Goodell said that if the plan were adopted, federal grants-in-aid would be cut back. That stipulation, however, was not included in the actual language of the bill.

A bill introduced by Representative Melvin Laird, chairman of the Republican Conference, also called for cutbacks in grants-in-aid. His bill (HR5450) would have returned a straight 5% of the federal revenue from personal income taxes to the states and would have reduced grants-in-aid by the amount of taxes "shared" in any year. In a bill sponsored by Senator Jacob Javits of New York, federal tax

water pollution control, and highways, with no federal controls on how the money was to be spent. These block grants, it was thought, would gradually replace existing grant-in-aid programs. President Johnson strongly opposed the Heller Plan and efforts to eliminate existing categorical grant programs, but he was in favor of efforts to consolidate and streamline the burgeoning grant-in-aid system.

Arguments for and against changes in the intergovernmental grant-in-aid system crystallized around two distinct points of view. The Republicans phrased their arguments in terms of the need for fiscal readjustments. They felt that states lacked the revenues they needed because the federal government had pre-empted the most productive tax sources. And although they agreed that federal aid was

sharing would have been aimed at bolstering educational, health, and welfare programs in the states (S 482).

Two Democratic revenue sharing plans also deserve special note. A bill introduced by Representative Henry Reuss (HR 1166) would have authorized \$5 billion a year for three years to be distributed to modernize state and local governments. A plan introduced by Joseph Tydings (S 673) would have allocated federal revenues directly to large cities. He proposed to establish a Commission on Federalism to receive plans for the use of shared taxes and to allot funds to the states and metropolitan governments that submitted plans. One per cent of the annual federal revenues from individual and corporate income taxes would have been made available to large cities on the basis of their populations. None of these bills, however, received wide-spread support.

necessary to help states and municipalities meet their needs, they were mostly concerned about the fact that grants-in-aid were being used by the federal government to enter fields of action reserved by the Constitution for the states. In short, they wanted federal aid, but they resented the fact that the policies and decisions of federal bureaucrats were infringing upon the authority of elected state and local officials. In addition, they felt that many grant programs coerced states into participating in activities they would otherwise not undertake or would perform differently--in a manner more in keeping with local attitudes and preferences.

A second group, mostly Democrats, lined up behind the need for administrative reforms in the intergovernmental grant-in-aid system. They felt that federal supervision of grant-in-aid programs had helped to improve state and local standards of performance and that federal participation in programs administered by states and localities had provided a valuable medium for the exchange of information and ideas and an appropriate mechanism for the provision of federal technical assistance. They felt, however, that some categorical grant programs could be consolidated; overlapping and duplication could be eliminated, and that federal "red tape" could be cut by

simplifying application and grant management procedures.¹¹

The fiscal readjusters were primarily concerned about redistributing control over federal funds. The "administrative reformers" were more interested in what the money would be used for and in making sure that the national government maintained ultimate review power. Those concerned about fiscal readjustment suggested that the financial capacity of state and local governments would have to be bolstered if they were to take on an increasing share of emerging public responsibilities. If they could not satisfy demands for critical public services, the fear was that pressure would mount for increased national participation in areas of primarily state and local concern.

¹¹ Dozens of grant reform proposals have been introduced in the Congress over the past ten years. In general, they have been aimed at over-coming (1) confusion about what grants are available and what the differences and similarities are among the many grant-in-aid programs; (2) the problems involved in having to deal with numerous small categories of funds which prohibit flexibility; (3) administrative waste involved in overlapping and duplicated effort; (4) the inevitable difficulty of having to comply with a multitude of different grant requirements; (5) difficulties at the disbursing end which Federal grant-administering agencies encounter in coordinating grant programs in handling mountains of paper work, and in making certain that program goals set by Congress are achieved. For a detailed review of grant-in-aid reform proposals see Legislative Analysis of Bills to Consolidate, Coordinate, and Simplify and Improve Federal Assistance Programs (Washington: American Enterprise Institute, 1970). Also see Selma Mushkin, "Barriers to a System of Federal Grants-in-aid," National Tax Journal, Vol. 13 (September 1960), pp. 193-218.

The Failures of the Grant-in-Aid System

Grants-in-aid are created whenever the Congress feels that a problem requires the attention of the national government. Some problems are a source of continuing concern and the Congress has concluded that national support in these areas should continue indefinitely; in other cases problems cease to be of importance. Currently, for example, concern for the problems of air and water pollution are increasing, while support for tuberculosis control and vocational training in agriculture are diminishing. This ebb and flow in the interpretation of national priorities is often not reflected in efforts to phase out categorical grants that have outlived their usefulness. Once a federal grant program has begun, it hardly ever ends.¹²

The Congress has identified several obstacles to the termination or redirection of grants-in-aid.¹³ Vested interests--both public and private--come into being every time a new grant program is initiated. Aside from the fact that

¹² Advisory Commission on Intergovernmental Relations, Periodic Congressional Reassessment of Federal Grants-in-aid to State and Local Governments (Washington: Committee on Governmental Operations, United States Senate, 1967), pp. 10-13.

¹³ The discussion of these obstacles is one based on the points made in the Periodic Congressional Reassessment mentioned in footnote 12 above.

administrative personnel at all levels display normal survival instincts, most federal administrators have not been especially concerned with the overall problem of intergovernmental fiscal balance or with the proliferation of grants-in-aid. For the most part, they have developed a narrow sense of mission with respect to their particular programs. Given their somewhat partisan point of view, it comes as no surprise that they invariably favor the perpetuation and expansion of categorical grants.

Once a particular grant has continued for a number of years, it becomes an integral part of state and local budgets and constitutes one of the assumed sources of revenue in the process of budgetary planning. With states and localities hard-pressed for revenue, officials are naturally reluctant to support any grant reduction. If federal funds are cut, a greater state or local appropriation would be needed to maintain a particular program at a given level.

Groups in the private sector (such as professional organizations, suppliers of materials or providers of services normally purchased with grant funds) are interested in seeing their grant programs continue. They strongly resist all attempts to reduce or eliminate federal

appropriations, presumably on the grounds that it is easier to lobby for the continuation of an existing national appropriation than it is to obtain a new or increased appropriation from state or local government. Efforts to redirect grant programs toward newer and more urgent problems usually result in an additive rather than a substitutive appropriation--or the creation of a new categorical grant rather than the elimination of an old one. Comprehensive surveys of federal, state, and local officials involved in the administration of grant programs reveal a number of very disturbing trends:¹⁴

1. Very little is known about what happens to a federal grant-in-aid program after it is approved by the Congress.

No one is quite sure whether or why individual grant programs succeed or fail. Delays at the federal level having

¹⁴ See Replies from State and Local Governments to Questionnaire on Intergovernmental Relations, Sixth Report by the Committee on Government Operations, U. S. House of Representatives, 85th Congress, first session, House Report No. 575, June 17, 1957; and The Federal System as Seen by State and Local Officials (a study prepared by the staff of the Subcommittee on Intergovernmental Relations of the Committee on Government Operations), U. S. Senate, 88th Congress, first session (Committee Print), 1963. A recent catalogue of "friction points" in the intergovernmental system was prepared for the National Association of State Budget Officers, Federal Grant-in-Aid Requirements Impeding State Administration (Chicago: Council on State Governments, 1966). Additional information on the problems of intergovernmental coordination as seen from the point of view of state and local officials can be found in Deil Wright and Richard McAnaw, American State Administrators (Iowa: Institute of Public

to do with the timing of appropriations and the promulgation of rules and regulations can create a serious gap between the time a program is approved and the point at which it is actually put into effect. Additional delays are almost always encountered in gearing up the necessary administrative machinery. In many instances, state governments have not been willing or prepared to play their part. When federal funds finally filter down to the state and local level, they often fall into the wrong hands. For the most part, communities that do not have the technical skill or the money to do the requisite pre-planning or to come up with the required matching funds are left out--although in some cases they may be most in need of assistance. The impact of individual grant programs is, of course, very difficult to measure. By the time a grant program begins to operate smoothly, the particular crisis that prompted its initiation may have already disappeared. Moreover, since agencies involved in administering grant programs are not likely to report accurately on their own failures, and information is rarely available for others to piece together a precise evaluation, attempts to evaluate programs have been severely handicapped.

Affairs, 1965); and David B. Walker, "Federalism Today," National Civic Review, November, 1964, pp. 535-539.

2. Congress continually adds new grant-in-aid programs with no real sense of overall purpose. Separate programs continue to proliferate along with single-function agencies at the federal and state levels as well as specialized districts and authorities at the local level. While new programs are continually added, existing grants are rarely eliminated. Part of the problem, perhaps, is that there is no single Congressional committee responsible for reviewing the whole array of grants-in-aid.

3. Federal departments have a very difficult time coordinating programs and services within their own agencies and with other departments and agencies. In most cases, responsibility for coordinating the efforts of various bureaus in a given department is fragmented. When responsibility is assigned, staffing arrangements are often less than adequate. Various attempts to design new administrative tools for managing the grant application process, auditing accounts, or evaluating the success of particular projects have not succeeded.

4. Interdepartmental coordination at the regional level has accomplished very little. Until very recently, regional office directors had very little decision-making power. More often than not, they were unable to coordinate

their own activities with other Federal agencies operating in the same region.

5. Federal departments and their respective bureaus and divisions have done very little to develop favorable cooperative relationships between the federal government and state and local agencies.

6. Federal aid programs administered at the state and local level have, for the most part, been handled inefficiently. State and local agencies have been understaffed, lacking in experience and imagination, and subject to very strong political and bureaucratic pressures.

President Johnson's Proposals to Overhaul the Grant-in-Aid System¹⁵

In 1967, President Johnson, while trying to gain congressional support for his domestic programs, promised that grant-in-aid programs would be improved and simplified. However, he studiously avoided any mention of tax-sharing--an alternative to categorical grants-in-aid that was being

¹⁵ This discussion of President Johnson's legislative proposals is based on weekly reports presented by Congressional Quarterly Weekly during the years 1966-1968.

advocated at that time by the Republicans. Mr. Johnson declared his intention to make administrative changes in the antipoverty program (hinting at a shift of some Office of Economic Opportunity programs to different agencies). He made it clear that he considered the problems to cities to be at the top of his list of domestic priorities and he requested an appropriation of \$400 million for the new "Model Cities" program.

The President proposed to intensify the war on poverty with special methods and special funds. He also spoke at some length about a new effort to fight rising crime rates--the Safe Streets and Crime Control Act of 1967 which would provide federal aid to states and cities to help them develop and equip local law enforcement agencies.

Several months later, in a message on the "quality of government" President Johnson proposed a number of steps to halt the proliferation of grants-in-aid and to cut through the administrative red tape that placed extra burdens on state and local officials. He called for simplified grant application procedures, and promised to make it possible for federal agencies to package related grants without disturbing the original authorizations, appropriations, and legislative requirements. In addition, he requested the Director of the Bureau of the Budget to

review all federal grant-in-aid programs in an effort to determine how consolidation of grant-in-aid authorizations, appropriations, and statutory requirements could be carried out. He referred specifically to the precedent set by the "Partnership for Health" Act passed in 1966. As part of that program, Congress combined a number of health grants into a single package.

Growing Congressional Interest in Tax Sharing

In 1958 former Representative Melvin Laird introduced the first bill embodying many of what have come to be considered the essential ingredients of revenue sharing. The Laird bill provided for the automatic distribution of a portion of federal tax revenues to the states with virtually no strings attached. The revenue sharing idea was expanded in 1960 by Walter Heller, who later became Chairman of the Council of Economic Advisors (1961-1964). Heller's plan was adopted by a task force which in 1964 recommended a form of revenue sharing to President Johnson. Mr. Johnson, although reportedly in favor of the idea, never announced his support for such a plan. One of the key reasons for his silence was a projected federal budget deficit.

A task force on revenue sharing, appointed by President Johnson in 1964 and headed by Joseph Pechman (Director

of Economics for the Brookings Institution), proposed a compromise plan, recommending that the fiscal dividends of an expanded economy--that is, a percentage of annual federal tax revenue increases due to economic growth--be distributed to the states with few strings attached.

The 90th Congress became increasingly interested in the concept of tax sharing. The basic argument of the idea's supporters was that the federal government, which had a growing tax base from which to draw revenue and a highly developed tax collection system, should return a small percentage of its revenues to the money-starved states to use in whatever ways they wished. Some Democrats countered with proposals to earmark specific amounts of money for large cities or to require states and local governments to improve their administrative machinery in order to qualify for tax sharing.

The July 1966 meeting of the Governors Conference approved the report of a special committee headed by Governor George Romney that recommended the return annually of \$2.5 billion in federal tax revenues to the states and federal tax credits for taxes paid to states. Governor Raymond Shaeffer in March of 1967 announced that he had urged all the governors to support the call for a

constitutional convention to draft a tax-sharing amendment.

Taking the opposite tack, the National League of Cities unveiled a ten-year plan to provide \$125 billion in federal funds to the nation's cities. None of this money would go through the states. Former Boston Mayor John Collins speaking for the "city lobby" called tax-sharing "the most dangerous idea in America." He predicted that federal funds would stop at the statehouse door, instead of filtering down to cities and local communities. Mayor Harold Tollefson of Tacoma, Washington, President of the National League of Cities, said that the states could not be trusted to respond to urban needs.

Organized labor's opposition to tax sharing was first expressed in an AFL-CIO resolution in 1966 which stated that the AFL-CIO opposed any aid via unconditional federal grants with no strings attached. Under general revenue-sharing, it was argued, proportionately too much aid would go to wealthier states and none to hard-pressed cities; misuses of federally shared revenue would be invited; and effective enforcement of anti-discrimination and minimum labor standards would not be assured.

Representative Wilbur Mills (D.-Ark.), Chairman of the

House Ways and Means Committee, held the decisive position.

In a 1967 speech in Houston, Texas, Mills said,

I have always felt that more discipline could be exercised over the spending by a governmental unit if that unit had the responsibility, or some measure of responsibility, for collecting the revenues. . . . It has been suggested that tax sharing will not contribute to the decentralization in government but, on the contrary, might well cause state and local units to become more and more dependent upon the Federal Government, and that this in turn would actually serve to enlarge rather than diminish federal power.

He raised a number of other important questions: How much federal control and supervision, if any, should be exercised over the disbursement of federal revenues? To what extent should federal tax revenues be provided to states which had not adopted state income taxes? Should funds be allocated directly to local units of government? Should state and local governmental reforms be required? Were the states in fact in worse financial straits than the federal government?

Representative Thomas Curtsin, an influential member of the Ways and Means Committee, expressed his opposition to tax sharing on still other grounds. He felt that the federal government did not have a surplus of revenues to return to the states and that the federal government could not risk turning revenues back to the states without any guidelines for their use. Curtsin also argued that the property tax still had the capacity to produce the revenue

necessary to finance most local expenditures.¹⁶

Assumptions Underlying Alternative Approaches to Revenue-Sharing

Heller's original revenue sharing proposal recommended "unrestricted federal grants to the states as one method of reducing the fiscal drag." A number of economists predicted that after the cessation of hostilities in Vietnam, the nation would realize a "peace dividend," and that several years of federal budget surpluses would follow. Federal revenues derived from the existing tax base would increase more rapidly than expenditures for domestic programs. This seemed logical since federal revenues are based primarily on a rapidly growing income tax with a generally progressive rate structure. Moreover, once defense expenditures were curtailed, total expenditures for federal domestic programs would not tend to rise as fast as the yield of the progressive tax structure (even though various non-defense programs might grow at a very rapid rate).¹⁷

State and local officials feared that the revenue "gap" at

¹⁶ Congressional Quarterly Weekly, April 7, 1967, p. 525.

¹⁷ Murray Weidenbaum, Prospects for Reallocating Public Resources (Washington: American Enterprise Institute, 1967).

the state and local level would widen.¹⁸ The costs of state and local programs (most notably in the areas of education and welfare) were rising more rapidly than the revenues from existing taxes. State and local revenues obtained primarily from taxes on property and retail sales were generally increasing more slowly than the gross national product.

We now know, of course, that federal surpluses were used up and the "peace dividend" never materialized. The federal government expanded some domestic programs, added new ones, and cut taxes. State and local governments dealt with budget deficits in a variety of ways: by raising tax rates, utilizing new tax sources, raising property assessment ratios, or by deferring programs. Some of these approaches, of course, would not work for very long. Debt increases, for example, were limited by constitutional ceilings, and efforts to raise taxes invariably met with voter resistance. The increases also tended to accentuate the problems of interstate competition.¹⁹

¹⁸ Ibid. See also, Harry Johnson, ed., State and Local Tax Problems (Knoxville: University of Tennessee Press, 1969).

¹⁹ Weidenbaum, op. cit., p. 3.

The basic argument for tax sharing (or revenue sharing) still stands; namely, that the only way to solve the country's long-term budgetary problems is to use federal surpluses to diminish state and local budgetary deficits. Unfortunately, there is no agreement on the best way of accomplishing this. The alternatives include: increased categorical grants-in-aid to state and local governments for specific activities; unconditional grants to states to be used for whatever purposes they like; federal-state sharing of a fixed portion of federal income tax revenues; federal income tax credits for the payment of state and local taxes; or federal tax cuts that might make future increases in state and local taxes somewhat more palatable.²⁰

Each approach can be examined from a number of perspectives. First, will it increase or decrease the importance of the federal government in the national economy? Second, will it tend to increase federal influence over the states? Third, what are its effects on the progressiveness of the

²⁰ Weidenbaum and Wright both present similar lists of options along with Michael Levy and Juan de Torres, Federal Revenue Sharing with the States (New York: National Industrial Conference Board, 1970); and George F. Break, Intergovernmental Fiscal Relations in the United States (Washington: The Brookings Institution, 1970).

combined governmental tax structure? Fourth, what is its impact on the ability of federal budget to act as a "built-in" stabilizer (as a means of offsetting fluctuations in economic activity)? Fifth, what influence will it have on the geographic distribution of income (i.e., will it help to achieve fiscal equalization among high and low income states)? Sixth, what impact is it likely to have on the distribution of income among various economic strata? And seventh, will it enhance the role of the cities in relation to rural and suburban-dominated state legislatures?²¹

Categorical grants-in-aid: One way of reallocating federal tax revenue would be to step up the flow of conditional or categorical grants to state and local governments. This type of federal assistance has typically been problem-focused. A federal agency administering such programs typically sets detailed standards and selects specific state and local recipients from among a host of applicants.

In order to be eligible for most categorical grants-in-aid, states usually must match the national contribution at

²¹I have used a modified version of the criteria that Weidenbaum op. cit., p. 31, suggests for evaluating alternative grant-in-aid and federal management strategies.

some specified rate. The aid-to-dependent children program (AFDC), for instance, requires states to pay between 35 and 50 per cent of the cost of the program, depending upon their per capita income. While the wealthiest states must contribute one dollar from their own funds for each dollar received, the poorest states need contribute only 54 cents. The interstate highway program, by contrast, requires each state to pay 10% of the total cost, regardless of its per capita income. For all categorical grants-in-aid, the states pay (on the average) one-third the cost, although there is enormous variety among programs in terms of required matching rates.²²

It has been suggested that the desire of national politicians to supply conditional grants is more constrained than the desire of state and local politicians to accept them.²³ Grants may be nearly costless to state and local officials (assuming that the federal government will permit existing operating expenditures to double as matching funds), while national politicians must levy the

²² Richard Wagner, The Fiscal Organization of American Federalism (Chicago: Markham Publishing Co.), 1971, p. 27.

²³ Ibid., p. 42. Wagner provides a rather elaborate mathematical analysis of fiscal federalism and the basis for institutional resistance to reforms in intergovernmental relations.

taxes necessary to finance categorical grants. Conditional grants are also a vehicle by which national politicians can secure local votes without violating Constitutionally defined governmental responsibilities. (The Constitution limits the national government to responsibilities for foreign affairs and other "general-benefit" activities.)

A number of studies suggest that categorical grants can distort expenditure patterns in a state.²⁴

[Categorical] grants have been criticized for misdirecting state and local expenditures, for rigidifying state budgetary procedures, for curtailing local autonomy, for undermining state and local incentives both to spend their funds wisely and to raise enough of them from local sources, and for shifting too many public responsibilities to Washington so that political power is unduly centralized and citizens are prevented from participating actively in the choice and administration of governmental programs.²⁵

Nevertheless, greater reliance on conditional grants-in-aid need not adversely affect the progressivity or stabilizing effects of the overall tax system. Moreover, most categorical grant programs have an equalizing effect. Decisions to focus additional funds on certain problem areas have a redistributive impact. This has been true

²⁴ Governmental Affairs Institute, Impact of Federal Grants-in-Aid on South Carolina, a report to the Commission of Intergovernmental Relations (Washington: U. S. Government Printing Office, 1954), pp. 1-4; McKinsey and Company, The Impact of Federal Grants-in-Aid on the State of Washington (San Francisco: McKinsey and Co., 1954), pp. 1-3.

²⁵Break, op. cit., p. 83.

primarily because most allocation formulae have been based, at least in part, on population or per capita levels of income.²⁶ There is always a chance that an expansion of federal grants-in-aid might intensify the regressive character of state and local taxes, but this would occur only if federal matching requirements brought new pressure for state and local tax increases.

The basic economic justification for functional grants-in-aid is the spillover of benefits from some of the most important state and local expenditure programs.²⁷ Categorical grants also serve as catalysts in situations where coordinated regional action is needed, but for one reason or another, the cities, counties, or states have been unable to work together.²⁸

Unconditional block grants: Unconditional grants--not tied to specific programmatic uses--have been used in other

²⁶Murray Weidenbaum, "Shifting the Composition of Government Spending: Implications for the Regional Distribution of Income," in Papers of the Regional Science Association, Vol. 17, 1966.

²⁷Break, op. cit., p. 105. He refers to Kenneth Ainsworth, "A Comment on Professor Money Penny's Political Analysis of Federal Grants-in-Aid," National Tax Journal, Vol. 13, September, 1960, pp. 282-284, for a concise presentation of the economic case for federal grants, based primarily on the existence of spillover benefits.

²⁸Break, op. cit., p. 106.

countries such as Australia, West Germany, and Canada.²⁹ They minimize the role of the national government. They also have a moderately equalizing effect on high and low income states (although they have no effect on the overall progressivity of the tax structure).

Unrestricted intergovernmental grants are ideally suited to offsetting, or balancing, state or local fiscal deficiencies arising as a result of high concentrations of low-income families (with extraordinary service requirements). This approach, however, is far from ideal for urban areas if grants are funneled through the states. A two-step process involving the states tends to accentuate the difficulties that typical metropolitan areas already have in obtaining a fair share of state funds. Unconditional block grants allocated directly to cities and towns might get around this problem.

Some observers have argued that only unconditional block grants can compensate for differences in resources and allow for the attainment of optimum levels of government

²⁹ Levy and de Torres, *op. cit.*, present a review of grant-in-aid policies and practices in Canada, Australia, and West Germany; also, see Advisory Commission of Intergovernmental Relations, "In Search of Balance—Canada's Intergovernmental System" (Washington: U.S. Government Printing Office, 1971).

activity in accord with locally or regionally accepted goals. The unconditional block grant may be the most satisfactory way of bringing about an overall equalization of financial resources.³⁰ Of course, this assumes a budgetary situation in which, at full employment levels, federal tax receipts are expanding more rapidly than federal expenditures.

Unlike other forms of federal aid, unconditional grants cut directly to the root of the fiscal dilemma allegedly plaguing state and local governments. They provide a new revenue source that grows as rapidly as the national economy expands and income levels rise. Critics such as Wilbur Mills have asserted that unconditional block grants would uncouple responsibility for collecting taxes from the actual allocation decisions. A number of Democratic leaders have argued that a switch from categorical to unconditional grants would force the national government to give up significant leverage. They point out that in the past categorical grants and matching requirements have been used to push through certain reforms in state and local government.

³⁰ John F. Due, Governmental Finance: An Economic Analysis, third edition (Homewood, Illinois: Richard Irwin, Inc., 1963), pp. 455-456.

Tax Sharing: A third alternative would be for the national government to share a fixed portion of income tax revenues with the states. This approach implies that high-income states, with above-average federal tax payments, would receive the largest share of federal aid. As in the case of unconditional block grants, this approach would diminish the role of the federal government. The states would be free to determine how their shared tax money would be used.

Tax sharing is attractive mainly because it is so simple. It provides a large and growing source of revenue and reinforces the progressive distribution of federal, state, and local fiscal burdens. Its detractors fear that tax sharing will drain funds from higher priority national purposes and that these funds will go into "leaky state purses." Several members of the U. S. Senate have argued that a generous tax sharing arrangement would lead to a relaxation of state-local fiscal efforts and that tax sharing would not meet the total needs of local governments, particularly those in central cities and metropolitan areas.³¹

Tax credits: Tax credits differ from tax sharing in two

³¹ Heller, op. cit., pp. 148-149.

important ways. The imposition, collection, and administration of taxes would be handled entirely by state governments.³² State governments would be free to increase or decrease tax rates on their own. This type of federal assistance would allow federal income taxpayers to write-off a generous portion of their state and local taxes; it would offer them an option either to deduct their state and local tax payments from taxable income, as they can do now, or to deduct a fixed portion of their state and local tax payments from their federal tax bills.

The benefits of this approach would accrue to persons in low and middle income tax brackets. Persons in higher brackets already enjoy a liberal write-off through itemization. Federal tax credits would give state and local governments an incentive to place more reliance on income taxes in order to maximize federal tax-saving possibilities. This could help local, as well as state governments, by softening resistance to increases in state and local taxes. Also, the federal role would be reduced in both the national economy and in relation to state and local governments. The only drawback is that the stabilizing

³² Weidenbaum points out that the tax structure currently provides credits for two types of state taxes: a limited credit for state death taxes against federal estate tax liabilities, and a 90% credit against general payroll levies for payments into state unemployment compensation systems.

impact and the progressivity of the overall tax structure would tend to be reduced to the extent that progressive and income-elastic federal taxes were replaced by state and local levies less progressive and less responsive to economic growth.³³

Federal Tax Cuts: A federal tax cut is a clear alternative to categorical grants, unconditional grants, or tax sharing. First, federal tax cuts might stimulate economic expansion. Second, in those states that treat federal income taxes as a deductible item, federal tax cuts would increase the tax base and thus tax revenues. In discussing these two effects, Walter Heller estimates that \$3 billion extra a year was flowing into state-local coffers from the 1964 tax cut alone, a 7% increase for both state and local tax revenues.³⁴ If his estimate was correct then the federal tax cut was responsible for nearly 90% of the \$3.5 billion increase in tax revenue that was obtained by state and local governments from 1965 to 1966.³⁵

Tax reductions have the advantage of allowing states and

³³Weidenbaum, op. cit., p. 40.

³⁴Heller, op. cit., p. 140.

³⁵Ibid.

localities maximum discretion in choosing whether or not to increase service levels or taxes. Yet, in the eyes of some observers, tax cuts would only reduce the federal role in key problem areas without providing guarantees that states and localities would increase their taxes and services. Others point out that a tax cut would not help to equalize interstate fiscal burdens.³⁶

Whether in fact state and local governments would raise their tax rates under these circumstances is debatable. In order to forecast what might happen, it is necessary to decide whether present state-local tax rates are held down primarily by intergovernmental competition for business and industry or primarily by the extent to which the federal government has preempted the revenue field.³⁷ The desirability of tax cuts is influenced heavily by conditions in the national economy.

If strong inflationary pressures were likely as a result of especially rapid increases in consumer and business spending, a surplus in the federal budget, which would permit retiring some of the national debt, would be desirable as an anti-inflationary measure. However, such would not be likely to be the case if the economy were generally characterized by recession-like conditions.³⁸

³⁶Ibid.

³⁷George Break, "Intergovernmental Fiscal Relations in the United States," a background paper prepared for a Conference held at the Brookings Institution, Washington, D.C., November, 1965, p. 4-85-6.

³⁸Weidenbaum, Prospects for Reallocating Public Resources, op. cit., p. 41.

Tax cuts might bring about a decrease in the size of the federal government, but they would only meet state and local needs indirectly. Tax sharing and unconditional block grants would provide for the allocation of public funds among programs selected by state governments (which are presumably more familiar with the needs and desires of their own residents than the national government). However, there is no guarantee that the financial requirements of cities and metropolitan areas would in turn be met under the unconditional grant format or the tax-cut approach. Moreover, high-income states would benefit more from tax sharing than from the other forms of federal aid,³⁹ while low-income states would benefit most from a

³⁹ Deil Wright has calculated that under a tax-sharing arrangement (based on collection of federal personal income taxes in each state) a number of states including Connecticut, Delaware, Illinois, Indiana, Michigan, New Jersey, New York, Ohio, and Pennsylvania would receive larger shares as opposed to poorer states such as Mississippi that would benefit more under a consolidated-grant approach with a strong equalizing feature.

For an attempt to measure the redistributive effects of both federal grants themselves and taxes that finance them, see James A. Maxwell, Financing State and Local Governments (Washington: Brookings Institution, 1965) pp. 6-166. Also, see the Advisory Commission on Intergovernmental Relations, The Role of Equalization in Federal Grants (Washington: U.S. Government Printing Office, 1964). One additional note: opponents of equalization grants point out that efforts to counterbalance regional poverty with federal grants only worsens the situation by weakening the incentives to residents to move to other locations where they would be more productive. This is a highly controversial and as yet unresolved issue.

grant-in-aid approach which contained some kind of equalization provision.

Summary: As long as tax resources are distributed unevenly, the problem of preserving fiscal balance in the federal system will persist. In essence, the problem is actually three-fold. First, imbalances exist between the national government and the states. The latter are handicapped because they are prohibited constitutionally from tapping lucrative revenue sources. There are also imbalances among the states. The geographic distribution of resources places some states at a distinct disadvantage. Finally, imbalances within individual states exist as a result of the concentration of resources in certain sub-areas.⁴⁰

The objective of equality (formulated in interpersonal terms) can best be served through interstate fiscal equalization. Thus, tax sharing on a per-capita basis is a definite means to this end. Additionally, a very strong case can be made for unconditional equalizing grants to the states. With state-local tax effort built into the distribution formula, unconditional grants would become a vehicle for achieving a degree of equalization not approxi-

⁴⁰ Knestnbaum Report, op. cit., p. 92.

mated by categorical or conditional grants. Yet, the greatest single obstacle to most proposed revenue sharing or tax sharing schemes still remains: a lingering doubt about the adequacy and reliability of state government.⁴¹

The Nixon Block Grant and Revenue Sharing Proposals

In 1968, the Republicans, led by Representative William Roth, Jr., argued for block grants under which the states would play the major role in allocating federal funds.⁴² The concept, of course, had received substantial Republican support in earlier years. Opponents of tax sharing, especially in the Johnson administration, argued that state governments were just not sufficiently equipped to handle the funds and that, because many states were dominated by rural interests, they would not give urban areas their fair share.

On April 30, 1969 President Nixon asked Congress for power to consolidate certain federal assistance programs and to

⁴¹ See, for example, The Committee for Economic Development, Modernizing State Government, New York, 1967.

⁴² In presenting his findings to the House of Representatives on June 25, 1968, Roth said that "no one, anywhere, knows exactly how many federal programs there are." He went on to say that in an agency-by-agency survey he had done, a verified list of at least 1,271 different federal grant-in-aid programs were found. Congressional Quarterly Weekly, August 16, 1968, p. 2198.

place them under the control of a single agency. The President said that only clearly related programs would be merged and grant limits would be changed as little as possible. The Republican Coordinating Committee warned that the trend in federal-state relations was leaning more and more toward a "virtual monopoly of power in Washington" and if it continued until 1973 when federal grants-in-aid were expected to reach \$60 billion, "state and local governments would be . . . taking all their orders from federal administrators."

President Nixon echoed these sentiments in his "New Federalism" speech in August, 1969:

For a third of a century, power and responsibility have flowed toward Washington—and Washington has taken for its own the best sources of revenue. We intend to reverse this tide—not as a way of avoiding problems, but as a better way of solving problems.

President Nixon asked Congress to approve automatic disbursement of a portion of federal tax revenues to the states "with no strings attached."⁴³ Proponents of the revenue sharing principle were generally happy with the Nixon plan, although they hoped it would begin on a much larger scale than the \$500 million planned for the second half of 1971. Opponents charged fiscal irresponsibility

⁴³ Congressional Quarterly Weekly, September 5, 1969, p. 1648.

in sending funds to units of government with no responsibility for raising them and no curbs on their use.

The President's "no-strings-attached" revenue sharing program would have returned a portion of federal revenues to the states each year. The monies were to be distributed according to population but adjusted to take each state's revenue raising efforts into account. A pass-through formula was supposed to ensure cities and counties a fair share of the funds (in proportion to their relative size and revenue-raising effort within the state). The payout was scheduled to rise from one-sixth of one per cent of personal taxable income in the second half of fiscal 1971 to 1 per cent in fiscal 1976 and thereafter. The return to the states was estimated at \$5 billion by 1976. Payment was to be authorized under a permanent appropriation (similar to the appropriation covering interest payments on the national debt). President Nixon said that the plan was proposed as a supplement to and not a substitute for existing categorical grants.

Though different in a number of ways, the Nixon administration's proposal was linked in many minds with the Heller-Pechman plan of the Democratic years. At a White House reception in April of 1961, Mr. Nixon told Heller, "We are

about to present your plan to Congress and our people are giving you a lot of credit for it."

Chairman Wilbur Mills of the House Ways and Means Committee opposed the Nixon plan. He felt that the level of government which spends funds should share in the responsibility for raising them. Civil rights advocates raised questions about the problems of holding states accountable for unencumbered revenue shares. If there were truly going to be no strings attached, what would prevent a recalcitrant state from returning its regular federal funds for education--which would be withheld if a school district refused to follow the law of the land on integration--and using its revenue sharing funds to make up the difference? Although the amount of shared revenues might not be large enough in the beginning to make up for a loss in federal educational grants, the possibility of substitutions was still very real. Some critics said that the distribution formula with its emphasis on revenue effort would aid wealthy suburbs at the expense of core cities. Suburbs with high-income residents could afford higher taxes with less pain to the taxpayer--and risk to the political leaders--than could most cities, and thus could increase their revenue effort ratio at the expense of the cities.⁴⁴

⁴⁴ A sampling of major cities and selected suburbs indicated that cities

Mr. Nixon's general revenue sharing plan went to Congress on February 9, 1971 and was introduced by Senator Howard J. Baker and 37 co-sponsors (four of whom were Democrats). The bill stipulated that states would have to pass through nearly 50% of their shared revenues to cities and counties. In some states, where cities did not impose heavy tax burdens, shares would be substantially below half; in others they would amount to more. The bill also called for a special incentive payment to any state that negotiated a different formula with its cities and counties, although cities could not get less than they would under the federal formula. Although there were no programmatic strings tied to the funds, governors would have to pledge to the Secretary of the Treasury that they would use the money only for governmental purposes. If the Secretary found evidence of racial discrimination in the allocation of funds, he was authorized to encourage voluntary compliance with civil rights law. Should that fail, he could refer

generally made better revenue efforts than their respective suburbs. Another study shows that if the Nixon revenue sharing plan were financed through a personal income tax surcharge, it would redistribute income from urban to rural states and from high-income to low-income states. The same study suggests that by substituting revenue sharing for categorical grants, income would be redistributed from rural to urban states and from high-income to low-income states. Stephen Dresch, "An Alternative View of the Nixon Revenue Sharing Program," in National Tax Journal, Vol. XXIV, No. 2, June 1971, pp. 131-142.

the matter to the Attorney General of the United States.

The revenue sharing proposal would have provided \$5 billion during its first full year of operation and increased as the federal income tax base expanded. There was a second part to the President's proposal. He proposed to provide special revenue sharing funds that would be underwritten largely by consolidating 130 categorical grants-in-aid.^{4 5} States and cities could use these funds--totalling \$11.4 billion the first year--for urban community development, rural community development, manpower training, law enforcement, transportation, and education. Special revenue-sharing was part of President Nixon's overall effort to decategorize federal grants-in-aid, but unlike general revenue sharing, consolidated or block grants still had some strings attached.

The President's administrative staff indicated that the six special categories mentioned above were chosen because work was already underway in various federal departments on grant consolidation. They were "natural avenues to follow."^{4 6} Transportation Secretary John A.

^{4 5} National Journal, April 3, 1971, pp. 620-624.

^{4 6} Ibid.

Volpe had previously advocated a transportation trust fund that would merge highway construction and mass transportation funds. HEW Secretary Elliott Richardson had already begun efforts to consolidate the 105 categorical grants in the field of education. HUD Secretary George Romney several months earlier had begun talking about a more flexible approach to community development. The Rural Development Council, a unit of the Domestic Council, had suggested moves toward balanced population growth. And manpower training and law enforcement officials had endorsed less restrictive block-grant programs than those that already existed.⁴⁷

Richard Cook, Assistant to the President for Congressional Relations, indicated that special revenue sharing would be harder to sell to the Congress than the general revenue sharing proposal. Another presidential aide said that many members of Congress were "frightened by special revenue sharing" because it would deprive them of the political advantage of being directly associated with federal aid to their home districts. Also, local officials could not be held accountable for the ultimate disposition of the funds. From all reports, the general public was unable to distinguish between general and special revenue sharing. In

⁴⁷Ibid.

addition, the press failed to understand that special revenue sharing was nothing more than the consolidation of a number of existing categorical grants-in-aid.

While general revenue sharing was designed to meet complaints about the shortage of funds at the state and local levels, special revenue sharing was Mr. Nixon's response to complaints about service delivery. Mr. Nixon's solution was to consolidate narrowly defined grant programs into more general categories. The six special revenue sharing plans were different in some ways, but they had a number of common characteristics:

- they required no state or local matching funds;
- no pre-grant planning or applications were required;
- guarantees were provided to ensure that no state or community participating in categorical aid programs at that time would receive any less during the transition to a broad-purpose tax sharing program than they were already receiving; and
- anti-discrimination guarantees similar to those in the general revenue sharing proposal were included in all six special revenue sharing bills.

For years, city and county lobbies had been pressing Congress and the Washington bureaucracy for basic reforms in the categorical grant-in-aid system. They wanted

- drastic curtailment of federal application and review procedures;
- program goals to be set at the local rather than the federal level;
- program consolidation within broad, flexible areas;
- funding of general-purpose local governments rather than semi-autonomous bureaucracies;
- establishment of more stable and equitable funding procedures; and
- abolition of local matching requirements.

The Nixon proposals promised practically all of these things. However, local government groups expressed essentially three complaints about the Nixon revenue sharing approach. First, city experts were angry that they had not been involved in drafting any of the proposals. Second, the amount of money proposed for general and special revenue sharing programs was inadequate. And, finally, the flow of funds under the new block grant programs would be routed through state government.

The Compromise State and Local Assistance Act of 1972

In April of 1972 the House Ways and Means Committee endorsed a compromise version of the Nixon revenue sharing bill (The State and Local Assistance Act of 1972). The President's special revenue sharing proposals were referred to

various Congressional committees. The compromise version of the general revenue sharing bill, written by Ways and Means Chairman Wilbur Mills, provided for revenue sharing for five years at an annual rate of \$3.5 billion for local governments and \$1.8 billion for state governments.^{4 8} The committee noted a federal budget deficit of almost \$39 billion for fiscal year 1972 and a deficit of \$25.5 billion for fiscal 1973, but felt that postponing revenue sharing in order to cut the national deficit would be assigning a lower priority to state and local financial needs than to other national needs.

The bill created three trust funds: one for state shares,

^{4 8} The bill appropriated funds for state government at an initial annual rate of \$1.8 billion and increased that rate by \$150 million for the following year and \$300 million for each succeeding year for the rest of the five-year period. Since the government operates on a fiscal year, the bill appropriated half of the initial allocation for the period of January 1 to June 30, 1972 (the remainder of fiscal 1972). It appropriated funds for the four succeeding fiscal years and a final half-year allocation. The appropriations (in billions of dollars) are summarized below (the source is Congressional Quarterly Weekly, May 6, 1972, p. 1001).

<u>Year</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
FY 1972 (half-year)	.9	1.75	2.65
FY 1973	1.95	3.5	5.45
FY 1974	2.25	3.5	5.75
FY 1975	2.55	3.5	6.05
FY 1976	2.85	3.5	6.35
FY 1977 (half-year)	<u>1.575</u>	<u>1.75</u>	<u>3.325</u>
TOTALS	12.075	17.5	29.575

one for local shares, and one for a "hold harmless" fund.⁴⁹ States' funds were to be distributed according to total tax effort and level of income-tax collection. The Treasury Department would calculate tax effort by relating the total tax collections of a state and its local governments (including special-purpose districts such as school districts) to total personal income in the state. The state allocation would then be calculated by establishing the proportion of state tax effort to the total U.S. state and local tax effort. The state's share would be 7.5% of each state's income-tax collections. For states with no income tax, and particularly states like Tennessee and Florida, which had constitutional prohibitions against income taxes that would take time to repeal, a minimum amount was guaranteed equal to .5% of federal income-tax liabilities attributable to the state.

The distribution of funds to local governments was far more complicated. The Treasury department would allocate the total amount available nationally among the states on the basis of total state population, urban population,

⁴⁹ \$300 million a year was to be set aside for the states essentially as a "hold harmless" increment to ensure that no state received less in any year than it had in previous years. There was no indication, though, whether or not this guarantee was meant to extend beyond the first transitional year.

and population weighted by per-capita income. Each state would then receive an allocation to divide up among its counties according to the same formula. Next, each county would calculate the proportion of total local taxes raised in the county and levied by the county government. As in the original Nixon plan, only general-purpose governments (not school and other special-purpose districts) could receive funds. Finally, the municipalities would receive their funds according to the same three factors: population, per-capita income, and urban population. States could withhold up to 10% of local funds for regional projects, provided that the state matched local funds with state funds on a dollar to dollar basis.

The State and Local Assistance Act proposed to tie more "strings" to revenues shared with local governments than the Nixon administration had originally intended. Funds allocated to local governments were limited to "generally recognized national high priority objectives." These were defined as "operational and maintenance expenses for public safety, environmental protection, and public transportation." The exclusion of such major local expenses as education and welfare was justified on the grounds that state and local responsibilities in these areas were handled in very different ways by each state. It was also

noted that the House had passed a welfare reform bill which, among other things, was designed to provide greater federal welfare assistance and that a number of federal-aid-to-education programs were already in operation.

The bill required states to maintain at least the same level of aid to local governments that prevailed before the revenue bill was enacted. It also prohibited state and local governments from using revenue sharing funds to match other federal grants. The bill authorized the Secretary of the Treasury to require local governments to repay 110% of any expenditure used for unauthorized purposes and to cut off funds to localities in violation of the bill's provisions. Finally, the bill required the Internal Revenue Service to piggyback state income tax collection under certain conditions.⁵⁰ The purpose was to enable states to use the income tax as a greater source of revenue with minimum administrative effort.

⁵⁰ The state taxes eligible for federal collection were those based on taxable income as federally defined and those levied as a percentage of federal tax liabilities. The bill provided for establishment of combined withholding rates, so that employers would be required to keep only one set of records and to make combined deposits of withheld taxes. The system was scheduled to take effect January 1, 1974 if at least five states had agreed and qualified and if the residents of these five states had filed at least 5% of the total federal income tax returns in 1973.

There was strong dissent from just under half the members of the Ways and Means Committee. They objected to the restrictions on the use of local revenue sharing funds while state government was free to use its share of the funds in any way it liked. The local priority spending categories, it was suggested, were plucked from thin air for the sole purpose of distinguishing the Mills version of the bill from the administration's no-strings attached revenue sharing proposal (which had been denounced by some members of the Congress). The provisions of the bill that the dissident group found objectionable included its failure to deal with the existing weaknesses of local and state governments; the lack of any rationale for the amounts of money or relationship of the amounts to state or local needs; the lack of a rationale for the various formulae; the failure to take account of other federal aid programs or state aids to local governments; the lack of effective accountability requirements. The dissenters said basically that the bill would transfer more power to Washington instead of strengthening state and local government.

Passage of the bill in the House was virtually assured on the first day of debate when proponents of the revenue sharing plan prevailed in a key procedural move. By a

roll-call vote of 223-185, the House closed off debate and precluded the possibility of making any amendments. The closed rule procedure limited action on the House floor to either passing the bill, killing it, or returning it to the Ways and Means Committee. With governors, mayors, and other state and local officials lobbying vigorously for the bill (with strong support from taxpayers) the bill commanded an impressive majority when it came to a vote. With an election coming up shortly, opponents had little hope of defeating a program that was being touted as a sure-fire method of holding down or reducing local property taxes.

The debate on the floor of the House pitted two important political figures against each other: Wilbur Mills, and George Mahon of the Appropriations Committee. Mahon opposed the bill on the grounds that it required the federal government to spend money it did not have and that it disregarded House rules which specifically prohibited appropriations in legislative bills. Mahon hoped to delete the on-going appropriation provision and to require annual appropriations as in the case of most other grant-in-aid programs. ⁵¹

⁵¹ Had the bill been open to amendment, attempts would surely have been

Mills defended the bill against charges that it would distribute more funds per capita to wealthier states than to poorer states and cities. The distribution formulae were terribly arbitrary, but it was clear from the nature of the debate on the floor that most Congressmen could not understand them.⁵² Other arguments, which also failed, held that the bill did nothing to reduce the fragmentation of local governments or to address the needs of sparsely populated rural areas.

Revenue Sharing from the City Perspective

Revenue sharing will miss the mark if it fails to relieve some of the intense fiscal pressure on local, and particularly urban, governments.⁵³ All along, the theoretical arguments for revenue sharing such as the need to adjust for the spillover effects of public expenditures or the need for interstate equalization of tax

made to challenge the complicated distribution formulae, to add tax reforms of various kinds, and perhaps to make still other changes in basic tax statutes. As with other legislation under similar circumstances, Mills announced before the bill was taken up that he was under instructions from his committee to withdraw the bill from floor consideration if it was open to amendment. The Rules Committee, on May 23, 1972, voted 8-7 to approve the closed rule motion.

⁵²Congressional Record, Thursday, June 22, 1972. No. 102-Vol. 118 (see the debate in the House on H5943).

⁵³Harvey perloff, ed., with Richard Nathan, Revenue Sharing and the City (Baltimore: Johns Hopkins Press, 1968), p. 30.

burdens have been less convincing than the cries for help from financially-pressed cities struggling to pay for vital public services. While municipal costs have skyrocketed, local political leaders claim that their tax base has diminished as industry and middle-income residents have fled to the suburbs. The evidence on this score is inconclusive. Certainly costs have escalated (especially payments to unionized municipal workers), but many cities have failed to professionalize their budgeting and accounting systems. Quite possibly, the real fiscal crisis is on the expenditure and not the revenue side of the ledger.

Although in recent years state governments have become somewhat more responsive to service needs in metropolitan areas, there has not been (nor is there now) any assurance that the additional income states receive via revenue sharing will be used to increase state aid to the cities. Most city officials have not accepted the argument that variations in state-local relationships require federal-state arrangements to give states the flexibility they need to deal effectively with their own localities.⁵⁴ City spokesmen have urged that special provisions be included

⁵⁴Report of the National Commission on Urban Problems, Building the American City (Washington: U.S. Government Printing Office, 1968), better known as the Douglas Commission Report, p. 378.

in any federal revenue sharing bill to protect the interests of large urban areas. One of the original proponents of revenue sharing summed up the issue quite nicely:

the question is not whether revenue sharing should put federal funds at the disposal of local governments, but how. Can one count on relief coming, automatically, from a no-strings grant made to the states, or should a specific part of the state share be reserved for the local units?⁵⁵

As it turns out, the proponents of revenue sharing were finally persuaded that an explicit pass through requirement was necessary in order to recognize the legitimate claims of city governments.⁵⁶ Choosing an appropriate pass-through percentage, however, was by no means an easy task. In addition, there was much agonizing over whether or not all units of local government should be eligible for federally-shared funds. In arguing for direct formula-based shares for major cities and urban counties, the Douglas Commission suggested aid should go only to municipalities of 50,000 or more and county governments above the same minimum size in which at least half the population was "urban." This selective approach was designed to avoid

⁵⁵Walter Heller, "A Sympathetic Reappraisal of Revenue Sharing," in Perloff, op. cit., p. 31.

⁵⁶Douglas Commission, op. cit., p. 378.

the tremendous administrative headaches involved in servicing 80,000 localities as well as the possibility that no-strings federal aid would be used to maintain entrenched local governments too small to operate efficiently. In addition, it was hoped that this system would encourage consolidation of local governments in urban areas, and an increasing use of the county as an instrument for local school-taxing purposes.⁵⁷ In determining each city's revenue sharing allotment, a formula could have been designed to give extra weight to a high incidence of dependency, density, or poverty. In the end, however, the easiest solution was a simple percentage pass through.⁵⁸

⁵⁷ Ibid.

⁵⁸ Senator Javits proposed to meet the problem of a minimum pass through by requiring states to distribute to the local governments an equitable proportion of their allotments, the ratio in each state to be no less than the average of the state's distribution of its own revenues to local governments over the previous five years (S. 2619, 89th Congress). At one point it was suggested that a Council of representative state and local officials be set up to assure a careful weighing of general and special local needs in each state. Although in the final analysis most mayors and city officials felt they had no choice but to support the compromise State and Local Assistance Act of 1972 (there was no way to explain to a "tax-revolting" public why the terms of the bill were not all they might be), they had to cross their fingers and hope that the minimum pass through would not also become the maximum, that the states would not reduce other payments to local governments; and that the federal government would not abandon its categorical grant programs aimed at combatting poverty, blight, disease, and pollution.

A number of Republican congressmen who opposed the pass-through requirements on the grounds that it would weigh down revenue sharing plans with too many complexities were banking on reapportionment to ensure fair treatment for cities at the hands of the state legislature. Some even hoped that reapportionment would eliminate the need for a pass-through requirement altogether. But reapportionment alone could not help cities to solve "the crushing problems of poverty, racial disability, obsolete social capital, pollution and undernourished public services."⁵⁹ Even after reapportionment, central cities are "represented in proportion, not to their problems, but to their population."

Before lining up behind the compromise version of the State and Local Assistance Act of 1972, Wilbur Mills tried to win support for an alternative plan. His approach differed from the Nixon's administration's in several respects:

--Disbursement: the Mills bill would have funnelled aid directly to eligible units of local government. Under the Nixon plan, of course, aid was scheduled to go through the states (although local governments were guaranteed a share).

⁵⁹Perloff, op. cit., p. 32.

- Needs Test: communities would have to show a need for additional federal aid. A test might have been based, for example, on the number of persons in the community living at the poverty level (as defined by Congress). The Nixon plan contained no needs test of any kind, although states and localities that made greater tax efforts were scheduled to receive proportionately larger shares.
- Strings: all new federal aid would be earmarked for specific purposes such as police and fire protection. The money could not be used, according to the Mills approach, for a long list of prohibited programs--including capital construction or reduction of the municipal debt. (No strings of any kind were to be attached to federally shared funds under the Nixon plan.)
- Fiscal Base: the Mills legislation would have been funded annually at a level set by Congress. The President's bill was tied automatically to a 1.3% share of the federal personal income tax.
- Duration: Mills wanted a three to five year program; the Nixon administration proposed a permanent outlay.⁶⁰

One reason cited in Democratic circles for Mills' interest in direct aid to the cities was a presidential boomlet in his behalf. In order to run for the Presidency, it was suggested, he had to project himself as a national Democrat. This, of course, required building a base of

⁶⁰Ibid.

support in large central cities. The Mills approach would have substantially altered the compromise between state and local fiscal needs envisioned under the Nixon revenue sharing plan. By tying federal aid to local tax effort, the Administration's program offered advantages to wealthier communities (which tended to tax their citizens at a high rate) which tended to vote Republican. By tying aid to a community's specific needs, the Mills plan would have shifted the advantage to big urban centers and poor rural communities, both of which tended to vote Democratic. Under the Mills approach state governments would have been frozen out of the block grant program.⁶¹

City interest groups in support of the revenue sharing idea coupled their endorsement with a urgent plea for the continuation of federal categorical grants--especially those designed to "stimulate, sustain, or reinforce efforts to deal directly with the needs of economically and socially dependent persons in urban areas." In short, they argued that more generalized fiscal assistance should not substitute for federal aid aimed directly at certain types of pressing social needs.

⁶¹National Journal, July 10, 1971.

There were at least three reasons for city representatives to oppose totally unrestricted revenue sharing. First there was no assurance that the states would spend federal funds according to national priorities. Thus, revenue sharing might encourage a balkanization of expenditures at the very time when a comprehensive national approach was needed.⁶² Second, past experience suggested that the states could not be trusted to take proper account of city needs in allocating federal block grants. Third, a shift to block-grant revenue sharing might be used as an excuse to cut back categorical grant-in-aid programs.

Summary

At the time of this writing chances are that some form of general revenue sharing will be enacted even though the Senate Finance Committee has tampered with the pass-through formula proposed by the House, thereby ensuring a fight in committee.⁶³ The Finance Committee, dominated by rural interests, proposed a modification that would

⁶²Richard Musgrave, "National Taxes and Local Needs," The Nation, January 16, 1967, p. 80.

⁶³New York Times, "Senate Panel Votes to Cut Sharing for Urban States," August 9, 1972.

cut aid to big cities in favor of an increased allocation to rural states. Election-year pressures are such, however, that most Congressmen cannot afford to oppose a measure that looks as if it might provide additional funds to their districts (even if the formula is less than ideal). So, some form of general revenue sharing is likely to pass, if not this year, then next.

The special revenue sharing bills have not fared so well. Only the urban and rural development bills have been through the wringer of committee hearings. These bills hinge ultimately on the President's proposed executive reorganization plans which have been scuttled at least temporarily by the Congress. Because the special revenue sharing programs threatened to cut into the power of standing Congressional committees, they were not particularly well received and their chances of passing in the long run are not particularly good.

Attempts to reform intergovernment management over the past ten years have revolved around three separate but related arguments. First, the proliferation of rigid categorical grants-in-aid ought to be halted and administrative procedures simplified. Second, the national government ought to help state and local governments

which have tried but have been unable to meet the rising costs of public services. Third, some way ought to be found to redistribute or equalize income among the states and to shift the power that has centralized in Washington back to the states. Basically, all three ideas make sense. Yet each implies a somewhat different approach to intergovernmental reform. Attempts to rally support for unrestricted revenue sharing as the best means of achieving all three objectives have been downright misleading. Substantial improvements can be made in categorical grants-in-aid without resorting to block grants or revenue sharing. It also seems obvious that the mere consolidation of grants or simplification of administrative procedures will do little if anything to redress imbalances in the distribution of income among the various states.

In the course of Congressional deliberations, President Nixon's general revenue sharing proposal was modified substantially. The latest compromise version includes a pass-through requirement as well as certain restrictions on the ways in which federal funds can be used. The President's special revenue sharing proposals have turned out to be nothing more than another effort at grant consolidation. All in all, it would appear that the United

States is not prepared at the present time to seriously consider unconditional block grants (or balancing grants) to the states. Lingering doubts about the capabilities of state government and the ways in which cities are likely to be treated at the hands of state officials have been cause for continued concern.

In light of all this, it is surprising that so little attention has been paid to the two block-grant programs that have been in operation for the past four years. Although arguments for and against different approaches to modifying our intergovernmental grant-in-aid system have hinged on whether or not criticisms of state government have been justified, no systematic attempt has been made to chart the experience under these two programs. The Safe Streets Act and the Partnership for Health are nothing less than test cases. In both instances the states were given an opportunity to show what they can do. A review of these two programs may help to calm the rhetoric on all sides of the revenue sharing and grant reform debate.

Chapter II: A New Role for the States

Passage of the Partnership for Health Act in 1966 and the Omnibus Crime Control and Safe Streets Act of 1968 signalled an important turning point in the evolution of our federal system. From the time of the great depression in the 1930's, up until the mid-1960's, efforts to expand federal grant-in-aid programs were characterized almost exclusively by the rise of "direct federalism": the allocation of federal funds from the national government directly to local governments (or even private individuals and institutions). More often than not programs designed to deal with the difficult problems of large cities and metropolitan areas by-passed the states. The national government forged a partnership with the larger cities of the nation. Direct federalism represented a commitment on the part of the President and the Congress to deal with the problems plaguing central cities. Throughout the 1950's and 1960's the response of the states had been weak and incomplete; but growing federal involvement with the problems of the cities spurred state action. State governments reacted (partly out of fear and partly for other reasons) to the expansion of the federal government's role in local affairs by trying to regain their once proud position as important partners in the federal system.

This turn of events began in the late 1960's with an effort to consolidate dozens of fragmented categorical grants into broad functional-area programs under the control of the states. Certain forces emerged to shape a new and more powerful role for state government. Fortuitous events and key individuals helped to bring about the changes. The most interesting question is, what were the real motives of those involved, and on what did they base their new-found confidence in the states?

The Rise of Direct Federalism

Although numerous indirect and direct relationships have existed between the national government and various localities from the founding of the country, the rise of direct federalism actually began during the Great Depression.¹ Widespread economic distress during that period spurred the creation of federal agencies [such as the Federal Emergency Relief Administration (FERA), Civil Works Administration (CWA), Public Works Administration (PWA), and the Reconstruction Finance Corporation (RFC)], set up to counteract the terrible pressures of unemployment and to catalyze economic recovery. To succeed, they had to show success in the cities where the problems were most acute. As it turned out, the urgent need to distribute relief funds provided the federal government with an excuse for "short-circuiting the states and dealing directly with the cities."²

The reasons for bypassing the states were fairly obvious. They had not performed effectively, nor had they developed

¹Advisory Commission on Intergovernmental Relations, State Involvement in Federal Local Grant Programs (Washington: U.S. Government Printing Office, 1970), p. 10. The ACIR report is based on a doctoral dissertation by Carl Steinberg, State University of New York at Albany, August, 1969.

²Brooke Graves, American Intergovernmental Relations, op. cit., p. 655.

"adequate channels through which the federal government might extend desperately needed assistance to the cities."³ Furthermore, because state legislatures were dominated by rural interests, many cities "were in the peculiar position of petitioning Washington for protection." And, for the most part, Washington provided local officials with a more sympathetic ear than their own state capitals.⁴

Direct and indirect administrative and financial relationships between the federal government and local units continued to flourish throughout World War II as international pressures dictated immediate action in areas such as civil defense. In the post-war period, mounting public demands for new and improved services rapidly dissipated local cash surpluses (that had accumulated during the war), while restrictive state controls prevented localities from raising sufficient funds to meet their own needs. As was the case during the Depression, most state governments were unwilling or unable to assist in resolving post-war fiscal dilemmas. As a result, Congress

³ACIR, State Involvement, op. cit., p. 10

⁴Ibid.

responded with direct federal financial aid for urban renewal, public housing, slum clearance, airport construction, highway building, flood control, medical facilities, and other types of public works projects.⁵

The growth of direct federalism slowed somewhat during the 1950's, although a few direct federal-local programs were enacted dealing with water quality control and community renewal. In general, President Eisenhower preferred to rely on the states to administer federal grant programs.⁶

The number of new federal programs which by-passed the states completely grew very rapidly in the early 1960's. Prior to 1960, 25 programs--beginning with the low-rent public housing program in 1937--had been adopted under which funds went directly from Washington to the local governments. From 1960 to 1966, another 43 grant-in-aid programs were put into effect. Twenty-two of these provided no role at all for the states. Federal aid to urban areas continued to grow apace increasing from

⁵Graves, op. cit., pp. 658-660.

⁶ACIR, State Involvement, op. cit., p. 11.

\$3.8 billion in 1961 to over \$14 billion in 1969 (see Tables III and IV).

Some of the reasons for increased federal involvement in urban development activities are fairly well documented. For one thing, the population of the country had (from 1950 to 1960) become predominantly urban.⁷ Moreover, the number of poor and black residents in the country's largest cities had increased dramatically. Since the bulk of the votes had moved to the cities, federal largesse was flung in that direction. The Democrats rode to power in the 1960's on the strength of the big-city vote. In an effort to make good on their campaign promises, the

⁷The percentage distribution of state populations for selected states in 1960 was as follows:

	<u>SMSA Cities</u>	<u>SMSA Suburbs</u>	<u>Outstate</u>
New York	58	31	11
California	34	50	16
Pennsylvania	32	48	20
Illinois	42	35	23
Ohio	35	34	31
Texas	46	17	37
Michigan	32	41	27
New Jersey	18	60	22
Massachusetts	33	51	16
Florida	24	41	35

Source: A James Reichley, "The Political Containment of the Cities," in Alan Campbell, ed., The States and the Urban Crisis (Englewood Cliffs, N.J.: Prentice Hall, 1970), p. 175.

Table III

INTERGOVERNMENTAL PAYMENTS FOR SELECTED YEARS, 1932-1963
(In Millions of Dollars)

<u>Year</u>	<u>Column 1</u> Federal Payments to State and Local Governments	<u>Column 2</u> Federal Payments to State Governments	<u>Column 3</u> Federal Payments Direct to Local Governments	<u>Column 4</u> State Payments to Local Governments
1963	8,507	7,566	941	10,906 (1962)
1960	6,974	6,382	592	9,443
1955	3,131	2,762	368	5,986
1950	2,486	2,275	211	4,217
1944	954	926	28	1,842
1940	945	667	278	1,654
1936	948	719	229	1,417
1932	232	222	10	801

Sources:

1932-1955, Columns 1, 2, and 3: U. S. Bureau of the Budget, "Historical Summary of Governmental Finances in the United States," 1957 Census of Governments, Vol. 14, No. 3, 1959, Table 4.

1960, Columns 1, 2, and 3: U. S. Bureau of the Budget, Governmental Finances in 1960, September 19, 1961, Tables 1, 12.

1963, Columns 1, 2, and 3: U. S. Bureau of the Census, "Federal Payments to State and Local Governments, by Program: 1963" (processed tabulation compiled by the Governments Division).

Column 4: U. S. Bureau of the Census, Census of Governments: 1962, Vol. VI, No. 2, State Payments to Local Governments, Table 1.

Table IV

FEDERAL-AID OUTLAYS IN URBAN AREAS (In Millions of Dollars)

<u>Function and Program</u>	<u>1961 Actual</u>	<u>1964 Actual</u>	<u>1969 Actual</u>	<u>1972 Estimate</u>
Community Development and Housing				
Community action program			432	549
Urban renewal	106	159	786	975
Public housing	105	136	257	570
Water and sewer facilities		36	52	110
Model Cities			8	420
Other	2	17	75	278
Education and Manpower				
Head Start and Follow Through			256	97
Elementary and secondary	222	264	1,262	1,457
Higher education	5	14	210	113
Vocational education	28	29	179	393
Employment security administration	303	344	449	327
Manpower activities		64	530	1,271
Other	3	7	77	704
Health				
Hospital construction	48	66	89	113
Regional medical program			19	63
Mental health	4	8	50	66
Maternal and child health	18	34	139	203
Comprehensive health planning and services	29	48	80	150
Health educational facilities			106	117
Medical assistance		140	1,731	2,074
Health manpower			28	193
Other		4	54	283
Income Security				
Vocational rehabilitation	37	61	247	400
Public assistance	1,170	1,450	3,022	5,581
Child nutrition, special milk and food stamps	131	168	482	1,690
Other	3	16	148	510
General Government				
Law enforcement			17	464
National Capital region	25	38	85	158
Other		9	27	145
Other Functions		2		5
Total aids to urban areas	3,893	5,588	14,045	24,035

Source: Douglas M. Fox, "Federal Aid to the Cities," in D. Fox, ed., The New Urban Politics (Pacific Palisades, Cal.: Goodyear Pub. Co., 1972).

Democrats responded directly to their primary constituency --inner city ethnics, machine politicians, and upper-middle-class liberals anxious to do something about poverty and inner-city problems. The rediscovery of poverty during the 1960's provided a handy justification for expanding and initiating a whole range of federal domestic programs. Poverty was a problem that everyone agreed was national in scope and required immediate action.

To some extent federal programs designed to channel aid to the cities were a payoff to inner-city blacks who, during the riots of the mid-1960's, flexed their political muscle for the first time. No sooner had the ink dried on one proclamation than another program was proposed. It was easier to initiate a new program than to figure out why the old ones had failed. The adage, "If at first you don't succeed, try, try again," typified the attitude of federal administrators trying to make a dent in the insurmountable problems of the cities and metropolitan urban areas.

By the mid-1960's the city lobby had secured a strong position for itself in what Roscoe Martin calls "the expanded federal partnership."⁸ Martin contends that the

⁸Roscoe Martin, The Cities and the Federal System (New York: Atherton, 1965).

expansion of the federal system from a two- to a three-way partnership was unintentional and came about only as a way of "dealing more effectively with problems beyond the scope or resources of traditional governments operating within customary and long-standing usage."⁹ His assertion, however, does not seem to hold up; for the dispatch with which the federal government suddenly moved to assist the cities was more than a measured response to the inactivity of the states. There were special pressures on the Democrats to respond to the needs of the cities. True, the states had fumbled many opportunities over a long period of time, but the rise of direct federalism was not merely a response to this. Political pressures and national party politics also played an important role.

The argument that "weak state governments make for national centralization" is, according to Professor Morton Grodzins, "far more false than true."¹⁰ Daniel Elazer, one of the foremost authorities on state government, has suggested that the growth of direct federal-local relations can be viewed partly as an effort to bypass

⁹ Ibid., pp. 45-82.

¹⁰ Norton Grodzins, The American System: A New View of Government in The United States, op. cit., p. 320.

those state governments in the South "hostile to the civil rights aspects" of various domestic programs, and partly as "an attempt to break through established power structures to reach certain excluded groups."¹¹ Elazer also contends that the states encouraged the establishment of direct federal-local relations--not by their inability or unwillingness to discharge their responsibilities, but rather as a part of a larger political strategy:

The large cities, in most cases, have been encouraged to turn to Washington by their states, if not openly at least by tacit agreement . . . the states would use their limited resources of money, time, and manpower to service smaller urban and rural places, while the great metropolitan centers would complement their efforts by doing similar work themselves. In this respect, the states are behaving no differently from when they encourage certain of their functional agencies such as the highway and welfare departments to pursue negotiations with their federal counterparts, in effect, utilizing cities as agents of state interests as much as autonomous entities.¹²

This conspiracy theory seems as sensible as any other and fits quite nicely with many of the findings discussed in later chapters of this dissertation. It suggests, perhaps, that the states have not been quite so lazy or so foolish as many commentators would have us believe.

¹¹Daniel Elazer, American Federalism: A View from the States, op. cit., p. 76.

¹²Daniel Elazer, "The Impact of Cooperative Financing Solutions," in Perspective on State and Local Finance (Atlanta: Southern Regional Education Board, 1967), pp. 58-59. See also Elazer's American Federalism, op. cit., pp. 163-164.

The Outcome of Direct Federal Involvement

Before 1960, most federal assistance programs were not actually designed to address explicit national purposes.¹³ Typically, grants-in-aid were instituted to help state or local governments accomplish their own objectives:

It [was] the states that set the goal of "getting the farmers out of the mud" through improved state highway networks; federal highway aid was made available simply to help them reach that goal sooner. Communities needed hospitals and sewage treatment plants and airports; the leading lobbyists for the expansion of federal assistance for community activities were the national organizations of municipal officials, and they sought it for specific and accepted functions of local government.¹⁴

After 1960, however, the urban-oriented grants that proliferated (39 were added in just six years from 1961 to 1966) were conceived primarily as a means of enabling the federal government (in some cases the Executive Branch and in others the Congress) to achieve its objectives. In the absence of an over-arching philosophy, federal agencies often found themselves in conflict with one another. By the time Richard Nixon took office in 1968, many cities had been "torn by the conflicting demands of

¹³James L. Sundquist, "The Problem of Coordination in a Changing Federalism," in Douglas Fox, ed., The New Urban Politics (Pacific Palisades, Cal.: Goodyear), p. 58.

¹⁴Ibid.

competing federal agencies" all trying to provide some form of assistance to the cities, but totally unable to coordinate their activities.

Clearly, direct federalism helped to sustain many cities during a period of severe financial and political strain and to provide a form of tax relief by helping the states to put off tax increases that were needed to underwrite large-scale inner city redevelopment efforts. The growth of direct federalism also helped to raise the national consciousness about the serious plight of metropolitan urban areas suffering from severe poverty and racial discord and to highlight the problems resulting from malapportionment in state legislatures and from the fragmentation of local government.

Perhaps the states failed to respond to the cities' cry for help because they were shackled by out-dated or overly restrictive constitutions or because they were out of touch with the needs of their citizens. It is also possible that the governors were unable to get anything done because their authority was undermined by numerous independent boards, commissions, and separately elected agency heads. Yet the federal government was not really in a much stronger position. Federal efforts to ensure

maximum feasible participation of local representatives in the operation of federally-funded urban programs failed. Federal guidelines and administrative red tape were just as cumbersome as restrictive state constitutions. And the problems of coordination within state government were dwarfed by the ferocious competition among separate federal agencies trying to maintain their ground. It is very likely that the states were not unable to respond, but rather just unwilling.

In the long run, the failures of direct federalism set the stage for the re-emergence of the states. Although federal funds helped to counter-balance regressive state tax policies and to minimize disparities between the quality of services in the central cities and the suburbs, they had very little visible impact on deteriorating central cities. While federal funds may have helped to stave off pressures for much needed tax reform, money did not seem to be the answer to the cities' problems. More than anything else, federal project grants helped to zero in on specific problems and to demonstrate how things ought not to have been done. By testing the waters the federal government saved the states considerable embarrassment. Had the states with more limited resources than those of the federal government and with smaller pools of qualified professionals to draw upon moved

quickly to assist the cities, they probably would have failed miserably.

The States React

In the end, the states, through their initial inaction, may have come out on top. The federal government made an effort, but was condemned for trying. While the cities gained some leverage over the states by forging a direct alliance with the federal government, it is not clear now just how much that leverage was worth. By the late 1960's the Advisory Commission on Intergovernmental Relations (ACIR) was suggesting that if any state chose to remain aloof from the problems toward which federal aid was being directed, then the localities were justified in participating in the federal program and dealing directly with the federal agencies concerned.¹⁵ That suited the states, for as long as federal aid programs were basically unsuccessful, the governors could settle back, shake their heads sympathetically, complain about being left out and watch the federal dollars flow.

The state's righters, of course, continued to beat their

¹⁵John DeGrove, "Help or Hindrance to State Action? The National Government," in Campbell, op. cit., p. 153.

drums opposing expansion of any federal programs (whether they operated directly through local governments or through the states). One study of congressional voting on a series of key urban issues during the early 1960's helps to explain what was happening:

Roll call votes demonstrated a dominant pattern of party voting. The evidence was clear: . . . in every instance rural and small town Democratic members voted in much larger proportions to support . . . urban bills than did the Republicans from urban and suburban districts. The predominance of party influence over constituency influences strikingly confirms the findings of much research on Congress that political party is most likely to be the decisive factor in Congressional voting.¹⁶

More than anything else, party politics helps to explain the re-emergence of state government as a force in the federal system. Those who felt that the states should have a greater role to play in the allocation of federal monies said all that was needed were certain reforms: reapportionment of state legislatures, modernization of state constitutions, strengthening of the governors' hand, and enactment of more permissive legislation affecting localities. If these steps could be taken, they felt, there would be no need to worry about the way in which cities would be treated.

In the hearings conducted by the Senate Sub-committee on

¹⁶Frederick Cleaveland and Associates, Congress and Urban Problems (Washington: Brookings Institution, 1969), pp. 370-371.

Executive Reorganization, considerable opposition was expressed to any proposal that would have increased federal aid to the states on the grounds that the money would never get to where it was most needed--the cities. Senator Joseph Clark testified that "I have always been for bypassing the states because I was a mayor and not a governor." He went on to assert that

I think, actually, that state government is the weak link in American government today. I think that both the federal government and most of the local governments, at least in the larger cities, are more sophisticated, more mature, in their dealing with these problems.¹⁷

A number of states had responded to pressures for reorganization and modernization. Special study commissions had been set up to examine the possibilities of regional and metropolitan government. State offices of local affairs were established. Councils of government and metropolitan planning agencies were already at work. Annexation procedures had been liberalized and special efforts were being made to impose more restrictive standards on municipal incorporation. In some cases, states were actively cooperating in city-county consoli-

¹⁷ Hearings before the Subcommittee on Executive Reorganization of the Committee on Government Operations, U.S. Senate, 89th Congress, second session, Parts I-IX, Part I, pp. 4-25.

dation efforts and in some instances they had actually assumed the responsibility for providing urban services in badly fragmented metropolitan areas.¹⁸

Skepticism toward the states, however, did not diminish in the face of efforts to update and streamline government organization. The "questionableness of the states as instruments of fiscal salvation" stemmed from more than their historic disinterest in urban affairs. As James Q. Wilson and others pointed out, corruption in the states has always been more or less a fact of life:

More boodle is flying around with no one watching in state capitals than in city halls; . . . The States have rarely been subject to the kinds of reforms which over the years have gradually centralized formal authority in the hands of a professional city manager or a single strong mayor.¹⁹

The reaction of the states to the growth of direct federalism can be viewed in still another way. Pressures not to respond to urban interest were very strong:

To ask why the states have not done more to help their cities is to raise a question of political power. The simple answer is that the cities have been unable either

¹⁸Daniel Grant, "Urban Needs and State Responses," in Campbell, op. cit., p. 80.

¹⁹James Q. Wilson, "Corruption: The Shame of the States," The Public Interest, Winter, 1966, p. 35.

to persuade or compel the states to give them the help they feel they deserve and need.²⁰

Many city representatives were convinced that malapportionment was the entire cause of the relative impotence of city delegations in the legislature. Yet, now that the process of redrawing legislative districts on the basis of one-man-one-vote has almost been completed, spokesmen for the cities are having painful second thoughts.²¹ The fact is that reapportionment helped the suburbs much more than it helped the cities. Now that the suburbs have ascended to a position of power, and the Republicans have gathered strength in white suburban working-class neighborhoods, it has become clear that the latent conservatism of state legislatures may have had more to do with state disinterest in city problems than administrative inability or corruption. In short, cities did not have the votes. By 1969 eight of the ten most populous states had Republican governors (and one of the two Democratic exceptions, Preston Smith of Texas, was probably more conservative than any of the Republicans). The controlling political fact of life in almost every urban state was that power was in the hands of suburban

²⁰A. James Reichley, op. cit., p. 169.

²¹Ibid.

and outstate voters. The cities found themselves up against a strategy of political containment.

Congress Acts to Expand the States' Role

During his term in office, Lyndon Johnson enacted more social and domestic legislation than any other President in our history, except perhaps Franklin Roosevelt. Two programs initiated by President Johnson deserve special attention: The Comprehensive Planning and Public Health Services Act of 1966 [CHP] (otherwise known as the Partnership for Health) and the Omnibus Crime Control and Safe Streets Act of 1968 (which superceded the original Law Enforcement Assistance Act [LEAA] of 1965). The Safe Streets Act was intended as another in the growing list of direct federal-to-city programs. The Congress, however, refused to go along, and recast it as a block grant program designed to channel federal funds through the states. The Partnership for Health Program consolidated almost two dozen public health formula and project grants-in-aid. Insofar as the CHP program was concerned, the Congress endorsed the President's proposal; although a number of troublesome issues hovered just below the surface. While President Johnson endorsed an expanded role for the states in the public health field, he fought bitterly to minimize the administrative involvement of the states in the law enforcement area.

The CHP and LEAA programs need to be viewed in context. The first public health grants to the states were authorized as early as 1917 (as part of the cooperative federal-state program aimed at controlling the spread of venereal disease in the vicinity of military bases and defense installations). The Social Security Act of 1935 authorized \$8 million in annual matching grants to the states for the development of local public health and general disease prevention services. In 1944 the Public Health Services Act provided grant assistance to state and local public health agencies involved in fighting cancer, chronic illness, dental disease, heart disease, mental illness, tuberculosis, neurological disease, and in providing home health services. Law enforcement, on the other hand, had almost always been considered a local responsibility. Of course, the federal government played a direct role in enforcing criminal statutes against kidnapping, smuggling, drug abuse, tax evasion and certain other crimes, but the day-to-day administration of criminal justice activities was always a local (and to a much lesser extent, a state) responsibility. Through the Federal Bureau of Investigation, the federal government provided information, advice, and training to state and local law enforcement officials, but not until the Law Enforcement Assistance Act of 1965

was the federal government involved in any significant way in financing and administering law enforcement and crime prevention activities.

President Johnson wanted to strengthen the grant-in-aid system through a consolidation of the fragmented public health assistance program and to expand the federal role in the law enforcement field by channeling federal funds directly to cities and towns. In both cases, he was seeking to maximize flexibility while ensuring that certain minimal federal objectives were met. The cities, of course, had the most to gain from the two programs: health and crime problems were concentrated in urban areas. In effect, the President, by pushing these two programs, was once again responding to the Democrats' primarily urban constituency.

The ability of state governments to administer the CHP and LEAA programs was very much at issue in the Congressional debates. For various reasons, though, other aspects of the two programs attracted considerably more public attention than the block grant programs. During the LEAA debates, for example, the question of the states' role was obscured by a fight over wiretapping and the rights of criminals. Richard Harris, in a book recounting the issues surrounding passage of the Omnibus

Crime Control and Safe Streets Act, mentions the question of the states' role only in passing. Most of the attention was focused on right-wing members of the Congress who were trying to overturn key Supreme Court decisions.²² The Partnership for Health legislation, on the other hand, became a political hot potato for entirely different reasons. The Congress and the President battled back and forth over a controversial rat control provision that was not even part of the original bill. In addition, the expansion of federal programs in the health field kicked off a fierce lobbying effort by the American Medical Association which feared governmental intervention in any aspect of private medical practice.

The Conservative coalition in the Congress was still another factor that shaped the destiny of the CHP and LEAA programs.²³ Conservative Republicans and southern Democrats teamed up to whittle down the President's proposed authorization for the CHP program from six years

²² Richard Harris, The Fear of Crime (New York: Praeger, 1969).

²³The revitalized "Conservative coalition" of Republicans and Southern Democrats was a dominating force in Congress in 1967, buoyed by a shift of 47 House seats to the GOP as a result of the 1966 elections. The coalition challenged the President on 29 different occasions and was victorious 17 times. Congressional Quarterly, December 29, 1967, pp. 2649-2651.

to two and also helped to kill a number of amendments designed to channel aid directly to big-city hospitals. The coalition played a critical role in squelching President Johnson's efforts to channel LEAA funds directly to the cities.

One interesting turn of events may shed some light on the events that transpired. During the 1968 Presidential election, the Republicans adopted the law and order issues as a campaign theme. Even though it was the Democrats who proposed more federal involvement in the law enforcement area, it was the Republicans who took credit for the idea. The Democrats held that crime was directly related to social and economic deprivation. They chose to emphasize the War on Poverty, the Civil Rights Act, and various educational measures as the most appropriate techniques for altering the environment in which criminal activity was allegedly spawned. The Republicans took a harder stand; they wanted to beef up local police forces and called for an all-out assault on street crime and rioting. While the Democrats considered the LEAA program another string in the Great Society's bow, the Republicans and the Conservative coalition turned this issue to their own advantage by putting the stress on law enforcement rather than crime prevention.

As the LEAA and CHP bills moved slowly through the Congressional mill, a new found confidence in the ability of state government appeared. It may have been nothing more than an instinctive Republican reaction to the rise of direct federalism. A number of arguments surfaced during the Congressional debates suggesting that the Republicans were convinced that the time had come to carve out a new and more powerful role for the states. First, they argued that the states, because they are closer to local needs than the federal government, are more likely to spend federal dollars in ways that will yield "disproportionate benefits." Allegedly the states are more aware of local problems, and thus in a position to avoid waste, duplication, and unnecessary competition for funds. Second, because many problems transcend local boundaries and there is a need to pull together fragmented and balkanized local jurisdictions, the states are in the best position to accomplish this. Cities and towns are nothing more than Constitutional creatures of the state. Third, if the states are ever to improve their administrative capabilities, the federal government will have to give them additional support. Direct federal-city relations were doing very little to institutionalize problem-solving capabilities in state government.

Block grant advocates were unusually sanguine about the

intrinsic capabilities of the states. They claimed that a federal-state-local partnership in the fight against crime made a great deal of sense since the courts and correctional institutions were beyond the control of city governments. Their real motive, though, was to use the block grants to help reinforce the principles of traditional federalism and to halt the centralization of power in the hands of the President. The convergence of self-serving interests rather than a renewed confidence in state government may best explain the push for a larger state role in the management of intergovernmental grants-in-aid.

Some of the compromises made to ensure passage of the LEAA and CHP legislation guaranteed that the programs would run into great difficulty eventually. For one thing, the goals of both programs were never spelled out in any detail. The LEAA program, for example, was designed to escalate "the war against crime in the streets." The rhetoric captured the public's imagination, but there was no agreement on how best to fight crime or what the causes of lawlessness really were. This was intentional, of course, for as long as the legislative mandate was vague, no state would be left out when the money was distributed. Although flexibility was probably in order considering

the unique circumstances in various parts of the country, the vagueness of the legislation also opened the door to widespread abuse.

Both bills called for "innovation." Somehow, the states were supposed to come up with ways of improving public health and of controlling crime that no one in Washington had been able to invent. Neither the LEAA nor the CHP program required federal approval of state or local plans designed to spur innovation. Eventually, a stipulation was added to the LEAA program requiring every state to submit an annual plan, but to this day health funds are looked upon as an entitlement, not as an award. In the absence of review procedures, the federal government had no way of knowing how the states used the money or whether they had any intention of meeting basic federal requirements (vague as they were). Neither program made adequate provision for monitoring or evaluation. The states were under little if any pressure to assess their efforts or to report the results of experimental projects. Federal audits were required; but they involved nothing more than a check to see if all the funds were accounted for--a far cry from carefully designed studies appraising the success or failure of particular projects. All in all, there was no agreement on what the programs were designed to accom-

plish or on how success would be measured.

The LEAA and CHP programs were related indirectly. By the time the Safe Streets Act was considered by the Congress, the Partnership for Health was already in operation. The CHP program had clearly served to expand the role of the states. Of course, there was a long history of state involvement in public health activities. When the anti-city forces in the Congress used the CHP program to support their plea for greater state involvement in law enforcement, no mention was made of the fact that law enforcement had always been the exclusive province of local government. The Conservative coalition was able to use the CHP precedent to head off a move toward direct federal-city grant awards in the law enforcement field. The Congress, in its rush to halt galloping federalism and invigorate the states, obscured the distinction between the states' earlier role in the public health field and their relative inexperience in matters of law enforcement.

The Partnership for Health Controversy

As signed by the President, the 1966 Partnership for Health bill (S3008) (see Appendix B) contained the following key provisions:

General Provisions: Specified that federal funds be used to support the marshalling of national, state

and local health resources to assure comprehensive, high quality health services for every person, without interfering in the private practice of medicine and dentistry.

Planning: Authorized \$2.5 million in fiscal 1967 and \$5 million in fiscal 1968 for formula grants to the states for comprehensive health planning. Federal funds could cover all costs of planning if the U.S. Surgeon General approved.

--Required each state to set up one agency to administer health planning programs and to encourage cooperation among public and private health organizations.

--Authorized \$5 million in fiscal 1967 and \$7.5 million in fiscal 1968 for grants to cover up to 75% of the costs of projects to develop regional or local plans for coordination of health services.

--Authorized \$1.5 million in fiscal 1967 and \$2.5 million in fiscal 1968 for grants to public or non-profit agencies for training or demonstration projects to develop improved comprehensive health planning.

Comprehensive Health Services: Authorized \$62.5 million in fiscal 1968 for grants to state health authorities to help them establish and maintain adequate public health services under plans reviewed by the Surgeon General.

--Repealed section 314 of the Public Health Service Act of 1944 which authorized formula grants to the states for general public health services and control of specific diseases.

--Directed that state plans promote local health services and use federal funds to augment existing services.

--Stipulated that at least 15% of the state's allotment go to the state's mental health authority.

--Provided that the federal share range from one-third to two-thirds of total cost for services, depending on relative state per capita income.

Health Services Development: Authorized \$62.5 million in fiscal 1968 for grants to public and nonprofit agencies to cover part of the cost of providing services to meet health needs of limited geographic scope, stimulating new health services, and undertaking studies or training to improve methods of providing health services.

--Repealed section 316 of the Public Health Services Act of 1944 which authorized project grants for developing new methods of providing out-of-hospital health services, effective July 1, 1967.

Public Health Schools: Authorized \$5 million in fiscal 1968 for grants to nonprofit schools of public health for professional training, specialized consulting services and technical assistance in administration of state or local public health programs.

The President succeeded in meeting the general objectives outlined in his March 1, 1966 message on health in which he recommended a "program of grants to enable states and communities to plan for better use of manpower, facilities, and financial resources for comprehensive health services." He also called for new formula grants to the states and nonprofit agencies to meet special health problems. He said that the existing categorical grant program led to "an

unnecessarily rigid and compartmentalized approach to health problems." By the time the President signed the bill, various House and Senate committees had made a number of important changes that reflected differences of opinion with the Chief Executive.

The Senate Labor and Public Welfare Committee tried to add provisions authorizing the Surgeon General to establish national health goals and guidelines and to assist states in developing comprehensive health plans. The Committee also specified that federal funds could not be used to interfere with existing patterns of private medical practice and that comprehensive health services would have to be made available to all individuals in a state, regardless of their income, age or place of residence. Two other important amendments were added on the floor of the Senate; first, a stipulation requiring each state to use 70% of its allotment to improve services in local communities; second, at the suggestion of Everett Dirksen, a cut in the authorization by about \$1.2 billion.²⁴

The House Interstate and Foreign Commerce Committee held hearings on the bill. Chairman Harley Staggers announced

²⁴Congressional Quarterly, October 7, 1966, p. 2405.

at the outset that it was too late in the session for the Committee to "conduct the extensive hearings which the subject deserved" and that the best policy would be to hold hearings on a "much more limited bill." For that reason, he introduced a revised version of S3008 which authorized \$125 million for the planning of comprehensive health services in fiscal 1967-1969 (permitting the existing project and formula grant programs to run through fiscal 1967), and for new formula and project grants for health services (for 1968-1969 only) as recommended by the Administration.

Dr. William H. Stewart, Surgeon General of the Public Health Service (PHS), said that the PHS preferred the original administration bill to the more limited proposal, but would accept the modified version in view of the pending adjournment of Congress. The Surgeon General expressed the hope that new legislation providing for more adequate funding would be presented in the 90th Congress. The administration agreed to the cut in authorizations in order to put the block grant feature on the books. Representatives of the American Medical Association, testifying in support of the legislation, asked for a clearer definition of the services that would be provided. The AMA opposed the broad and vague terminology of the bill. They

feared a possible intrusion into the private practice of medicine. In addition, the AMA proposed that the state health planning councils called for in the legislation (to oversee state health planning activities) include a majority of physicians. Dr. Charles Hudson, AMA President, also suggested that the state comprehensive health plan should be reviewed and approved by the state health planning council.

The CHP program was aimed at improving health services for individuals and families and not at combatting specific diseases. This was not acceptable to the AMA. In eliminating categorical grant programs, and attempting to give the states greater flexibility, Congress eliminated the focus on combatting specific diseases and in so doing stepped on the toes of the private physicians. The issue was made perfectly clear during the hearings when Dr. Hudson urged Congress to "define public health services so that its intentions will be clear and that public health clinics will not be fostered to replace private medical care."²⁵

The bill reported by the House Committee differed from the Senate-passed measure in a number of ways. First, it

²⁵Hearings before the Committee on Interstate and Foreign Commerce, House of Representatives, 89th Congress, second session, pp. 57-72.

authorized funds for two years instead of four. Second, it carried lesser authorizations for some programs (1968 comprehensive health services and development authorizations were \$145.5 million lower than Senate figures). Third, it did not contain authority for the Surgeon General to formulate health goals and guidelines for developing comprehensive health plans. Finally, it did not include the provision that at least 70% of a state's allotment for comprehensive health services be used for service to the state's communities. The House passed the bill by voice vote. The Senate concurred, clearing the way for the President to sign the bill into law.

The following year, in his February 28th message on education and health, President Johnson asked for an extension of the Partnership for Health legislation through fiscal 1972. In addition, he requested open-ended authorizations after fiscal 1968. Quite by chance, pressure was mounting in Congress for enactment of regulations to control clinical laboratories. Attention was drawn to the potential danger of unregulated laboratories during hearings held in February when Dr. David Spencer, Director of the PHS Communicable Disease Center, told the Senate Judiciary Antitrust and Monopoly Subcommittee that 25% of the tests performed by 13,000 to 14,000 U.S. clinical labs were "erroneous."

When the House Interstate and Foreign Commerce Committee reported the Administration's Partnership for Health Amendments of 1967, the bill included provision for the licensing of clinical laboratories which received specimens through interstate commerce. In addition, the House Committee expanded and extended through 1971 authorization for grants to the states for comprehensive health planning and public health services. The Committee also accepted an amendment offered by Rep. Richard Ottinger of New York authorizing \$58 million in fiscal 1968 for emergency improvements in critically overcrowded city hospitals. In a surprising move, the Committee restored the provision deleted the year before requiring at least 70% of the state's block grant funds to be made available for services in local communities. The thirteen Republican members of the House Committee objected to the Ottinger amendment. They called it a preferential bonanza for a few big cities. The Republicans charged that it would "completely short circuit" the "sensible and successful Hill-Burton Program" (a health facilities construction program that had been in effect since World War II).

On September 20, 1967, the House adopted an important amendment to the Partnership for Health bill providing an additional \$40 million for rat-control. It was tacked on

quite by accident. The House reversed an action it had taken several months earlier when it refused to consider a rat control bill presented by the Administration. That earlier action had unleashed a storm of protest from civil rights groups. Republicans provided the votes needed to reverse the earlier stand on rat control, although the program was again opposed by the "conservative coalition."²⁶

The rat control amendment proposed by Henry Reuss and Charles Mathias probably had as much to do with the passage of the 1967 CHP amendments as anything in the original legislation. Opposition to the Reuss-Mathias amendment was led by William Springer, ranking minority member of the House Commerce Committee. He contended that the Public Health Service already had enough money in its \$65 million fund for special project grants and that at least ten other federal agencies were already operating rat control programs. Just because he happened to live in

²⁶There were substantial differences between the rat control bill rejected earlier by the House and the Reuss-Mathias amendment to the Partnership for Health bill. The earlier proposal called for a broad new program to be operated by the Department of Housing and Urban Development. The Reuss-Mathias amendment merely authorized additional funds to be awarded by the Department of Health, Education, and Welfare, through the Public Health Service, for project grants; states, communities or private agencies that wanted to carry out the rat control projects could apply for the grants. Congressional Quarterly, September 22, 1967, p. 1840.

a rural area, Springer contended, did not mean that he was opposed to helping urban areas that wanted funds for rat control.

Debate on the Ottinger amendment to provide emergency funds for overcrowded hospitals broke down into a rural-urban fight, with big city Democrats speaking out for it and Republicans and Southern Democrats opposing it. Springer again led the opposition, charging that the amendment ignored the Hill-Burton formula for distributing hospital aid. (According to HEW, the Hill-Burton Act had continually favored rural areas. HEW figures revealed that during the 20-year life of the Act, the ten largest cities in the country with 11.7% of the U.S. population had received only 4.1 per cent of the funds allocated under Hill-Burton.)

The House finally passed the Reuss-Mathias rat control amendment, but it defeated the additional \$58 million authorization for emergency assistance to overcrowded hospitals. The Senate Labor and Public Welfare Committee accepted all the major provisions of the House bill, but cut out the fiscal 1971 authorizations for health services. The Senate passed the bill and the President signed it on December 4th.

The 1967 amendments established the mandatory 70% pass-through that had been defeated in 1966. The effort to provide additional assistance to big city hospitals was defeated. Various groups used the 1966 and 1967 bills to their own ends. The rat control provision, for example, was tacked on to the 1967 bill at the last moment. It was a convenient way for a number of Congressmen to reverse their earlier decision which had caused such fierce reaction. The merits of grant reform were hardly discussed at all in the face of sharp debate over specific amendments and special interests.

In an effort to give each state more flexibility, the federal government chose not to set minimum standards for public health services. The Surgeon General was authorized to review state comprehensive health plans, but this provision had no teeth. The federal review of state plans was not mandatory. Moreover, the medical lobby succeeded in attaching a rider to the CHP program preventing any interference in private medical practice. Even the AMA, though, was unable to push the Congress to be more specific about the public health objectives at stake. The move away from categorical (special disease-oriented) grants helped the states in one respect, but confused them in another. In the absence of clearly

defined federal guidelines, the states were unsure of their responsibilities.

The LEAA Controversy ²⁷

Despite the emergence of crime as a national issue during the 1964 Presidential campaign and despite steadily increasing crime rates, President Johnson and Congress were reluctant to tackle the law enforcement issue head on. They were more concerned about passing the other basic components of the Great Society program. Besides, it was generally agreed that law enforcement was a local and not a federal responsibility. During floor debates on various anti-crime measures, Congressmen from both parties spoke out against federal encroachment upon state and municipal law enforcement prerogatives. Even among those anxious to involve the federal government in the criminal justice field, there was disagreement over the best way to proceed. Democrats--particularly Lyndon Johnson--viewed crime largely as a product of deeper troubles in American society. President Johnson argued for patient analysis and

²⁷ This section is based on materials presented in Congressional Quarterly Weekly Reports (1966-1970); The Law Enforcement Assistance Administration Annual Reports; and the Advisory Commission on Intergovernmental Relations: Making the Safe Streets Act Work: An Intergovernmental Challenge (Washington: U.S. Government Printing Office, 1970).

restraint. He wanted time for additional study and special efforts to determine the underlying causes of lawlessness. Many Republicans favored strong retaliatory measures against those guilty of breaking the law. The Conservative coalition took a strong stand in support of stronger enforcement efforts. They preferred to deal with the obvious manifestations of criminal activity.

The President envisioned his antipoverty and educational programs as long-term solutions to key social problems. He was counting on his national crime commission, a high level study group, as well as various experiments in the District of Columbia, to come up with new and more effective approaches to crime prevention and control. In mid-September of 1965, the Congress finally passed a number of bills pertaining to law enforcement and criminal justice. One piece of legislation (the Law Enforcement Assistance Act of 1965) provided federal assistance for the training of local law enforcement personnel while another extended federal control over certain drugs. A third law prolonged the ongoing federal juvenile delinquency study program, while other legislation permitted more latitude in rehabilitating federal prisoners and provided for a study of manpower and training needs in the corrections field. Efforts to impose stricter

controls on the shipment and sale of fire arms were unsuccessful as were bills aimed at combatting organized crime and implementing new approaches to the treatment of narcotics addicts.

The Law Enforcement Assistance Act of 1965 passed unanimously in the Senate and the House. The bill authorized the Attorney General to make grants to public and private non-profit agencies for the purpose of establishing training programs for local law enforcement personnel. The Act also provided funds to support demonstration projects dealing with new methods of law enforcement as well as studies of organizations, techniques and legal practices. Ten million dollars were put aside for these purposes in fiscal 1966.

The legislation (in the form that it finally passed the House and the Senate) contained no formula for determining the allocation of federal funds. Rather the Attorney General was given the job of awarding project grants. By 1968, the Office of Law Enforcement Assistance (OLEA)--the Department through which the Attorney General administered the program--had awarded a total of nearly \$19 million for 333 separate projects.²⁸ Projects involving

²⁸ ACIR, Making the Safe Streets Act Work, op. cit., p. 9.

police departments were the recipients of 66% of the funds awarded by OLEA during its first two-and-one-half years. Fifteen percent of the funds went to correctional institutions, 11% for planning and crime prevention studies, and 8% for courts and prosecution.²⁹ As a result of OLEA's special projects program, twenty-seven states established new criminal justice planning committees or broadened the activities of previously existing groups. It was obvious that word of the program was getting through to state and local officials, for in 1968 alone, the federal agency received 1,200 requests for assistance totalling more than \$85 million.³⁰

Toward the end of 1967 there was a shift in the administration's strategy. Support was amassing in the Congress for even wider federal involvement in law enforcement activities. The administration's research and demonstration programs had not satisfied the public's demand for action. On February 7, 1967 the President proposed the Safe Streets and Crime Control Act, a measure designed to

²⁹Ibid.

³⁰U.S. Department of Justice, Third Annual Report to the President and the Congress on Actions Under the Law Enforcement Assistance Act of 1965 (Washington: U.S. Department of Justice, 1968), p. 5.

stimulate state and local spending on crime prevention. The emphasis was on innovative anticrime techniques and modern equipment. The efficacy of this approach, the President said, had been demonstrated by pilot programs supported under the Law Enforcement Assistance Act of 1965. His new bill was designed to build upon the "creative federal partnership" initiated by the OLEA. The President asked for \$50 million for fiscal 1968 (with an anticipated request of \$300 million for fiscal 1969) to provide

- 90% of the cost to state, city, and regional bodies for developing plans to improve police, courts, and correctional institutions;
- 60% of the cost of approved projects, provided the state or local government increased its anti-crime spending by at least 5% each year and had sole or combined jurisdiction over more than 50,000 persons. Not more than one-third of the federal funds could be used for salaries.
- 50% of the cost of constructing new types of facilities such as crime laboratories, police academies, or correction centers.
- 100% of the cost of contracts with various kinds of agencies and institutions involved in related research projects.

The legislation clearly signalled a shift in the Democrats' position on crime. The mood had changed. Ghetto

rebellions and student riots turned things around. Law and order was rapidly becoming a very visible national issue and, as such, demanded a clear and strong response. The President's February 6th announcement predated the release of his Commission on Law Enforcement and Administration of Justice's final report by several days. The eighteen-month study of crime in the United States entitled "The Challenge of Crime in a Free Society" proposed more than 200 specific federal, state, and local actions that could be taken to halt criminal activities.³¹ The Commission report echoed the President's call for federal funding on the order of several hundred million dollars annually to assist in training and equipping local law enforcement officers. The release of the study enabled the President to argue that his proposed legislation was the result of careful research and not just a hasty political reaction designed to make the Democrats look good. There is no question that the Democrats shifted gears. Sensing a growing public reaction to what seemed to be "unbridled lawlessness," the Democrats sought a "harder line" position.

³¹President's Commission on Crime and Administration of Justice, The Challenge of Crime in a Free Society (Washington: U.S. Government Printing Office, 1967).

In hearings before a House Judiciary Subcommittee in March and April of 1967, the Administration's Safe Streets Act as well as a companion bill, the Right to Privacy Act of 1967, received special attention.³² Attorney General Ramsey Clark argued that federal support for state and local police departments was necessitated by a national crime problem of astounding proportions. Insofar as the Right to Privacy Act was concerned, Clark said that wiretapping should be banned in all except the most urgent cases (which he defined as those involving national security). He also pointed out that the Administration's proposed ban on wiretapping would apply only in cases where one of the parties to a telephone conversation consented to the tap. Clark urged passage of a fire arms control law, arguing that the use of guns in crime was significantly less in cities where gun control laws were in effect. In deference to the strong National Rifle Association lobby, the Attorney General was quick to indicate that the Administration's bill would not affect gun ownership for self-protection or sport.

A number of big-city mayors, including John Lindsay of

³²U.S. Congress, House of Representatives, Committee on the Judiciary, Subcommittee No. 5, Anti-Crime Program: Hearings, 90th Congress, first session, 1967.

New York, spoke in favor of the Administration's proposed Safe Streets Act. The U.S. Conference of Mayors supported the bill along with police representatives from practically all fifty states. There was some negative reaction from other quarters. The firearms provision of the bill was attacked as an infringement upon the rights of citizens and sportsmen. The law enforcement assistance component of the bill was criticized on the grounds that it did not go far enough in dealing with organized crime.

The House Subcommittee sent an amended version of the bill to the full Judiciary Committee. The proposed amendments would have provided comprehensive planning funds to regions that encompassed a minimum population of 25,000 instead of 50,000 (as specified in the original Administration version). Additional hearings before the Senate Judiciary Subcommittee on Criminal Laws and Procedures allowed still another opportunity for all sides to be heard. Ramsey Clark testified once again in support of the Safe Streets Act, but this time he focused his remarks on a proposed amendment that would have given every governor veto rights over grants made in and to his state. Senator Roman Hruska suggested that the absence of such a provision gave the federal government too much control over local police operations. Clark, speaking for the Admini-

stration, strongly opposed the veto suggestion. He challenged Senator McClellan's charge that Safe Streets funds would be used by citizen groups to set up police review boards. Clark did agree, however, that the bill gave the Attorney General power to require cities to cease practicing racial discrimination in the hiring of police officers. He pointed out, though, that the bill would not empower the Attorney General to require racial balance on all police forces.³³ Spokesmen for the National League of Cities again gave strong general endorsement to the Safe Streets Act, but criticized provisions of the bill that prohibited the use of federal funds for increases in the salaries of local law enforcement personnel. The League also labelled as unrealistic the Administration's stipulation that cities increase their law enforcement budget by at least 5% annually in order to qualify for federal funds.

The Attorney General argued that the 5% provision was necessary in order to stimulate greater outlays than would normally be made by state and local governments. City spokesmen argued that since one-fifth of total local

³³U.S. Congress, Senate, Committee on the Judiciary, Subcommittee on Criminal Law and Procedures, Controlling Crime Through More Effective Law Enforcement: Hearings, 90th Congress, first session, 1967.

government expenditures already went for crime control, and since the return of federal funds for each local dollar invested would not be as great as in such programs as urban renewal, antipoverty, and Model Cities, the requirement was unfair.

As introduced in Congress, the Safe Streets and Crime Control Act of 1967 represented another instance of direct federalism. An exchange between Ramsey Clark and Roman Hruska early in the hearings signalled the beginning of a battle between the Democratic Administration and the Conservative coalition over whether law enforcement funds ought to be channeled through the states or directly to the cities themselves:

Hruska: Was there any thought given to the idea of a Governors' veto over this particular type of Federal grant?

Clark: It is a subject that can hardly escape attention in this general area today and it was considered. It is our judgement that the justification for that is much more difficult to find in law enforcement than in other areas. And the reason primarily is that law enforcement has been basically a local function. Police expenditures by local governments are about 2-1/2 times police expenditures by the states. The average state does not give any financial support to local law enforcement. It has really no experience in local law enforcement. The average state does not have an office to coordinate the activities of local law enforcement. There is no real basis for the Governor of a state in the exercise of his functions to say that a particular program is not sound since he has no experience in the field.

Hruska: But are not the cities and counties and all of their activities creatures of the state legislature? They obtain their powers, tax base, and a number of things from

the state legislature. And, of course, the Governor often plays a vital role in these functions.³⁴

Under the Safe Streets and Crime Control bill, state governments would have been treated in the same way as their political subdivisions. States, as well as local jurisdictions, or combinations of localities over 50,000, would have been required to prepare law enforcement and criminal justice plans as a condition for receiving federal funds. Development of statewide comprehensive plans integrating state and local police, corrections, court, and prosecution programs would not have been mandatory. Instead, the preparation of plans encompassing entire metropolitan areas would merely have been encouraged. Furthermore, no provision was made in the bill for review, comment, or approval of local grant applications by the Governor or any other state administrative agency.

The Johnson Administration's rationale for bypassing the states was rooted in the belief that most states lacked sufficient experience in law enforcement and that they had spent considerably less than their local jurisdictions for this purpose. Municipal representatives

³⁴ Ibid.

strongly opposed statewide planning requirements:

A number of states have restricted their law enforcement activity to highway patrol and other traffic control work, and rarely [have] states become deeply involved in urban law enforcement problems. For this reason, many states do not have the historical interest, the personnel, the appropriations or the expertise to cope with the complex problems of urban law enforcement. Perhaps the states should be more deeply concerned, but it would be unfortunate if planning so urgently needed for a total attack on crime in our cities was delayed while the states expanded their personnel and developed the expertise necessary to deal in the areas in which they have not been previously involved.³⁵

Eventually the Administration found it necessary to modify its position. The states, it was suggested, could focus on court and correctional planning while local units with individual or combined populations of 50,000 or more would concentrate on police planning. Efforts to combine these two kinds of plans would be encouraged on an informal basis. Conformance of local programs and projects to statewide plans, however, was not something the Administration was prepared to accept. Nor would President Johnson endorse a gubernatorial veto over all local plans and programs.

The Administration was prepared to suggest that municipi-

³⁵ House of Representatives, Anti-Crime Program: Hearings, op. cit., p. 383.

palities with less than 50,000 inhabitants be required to work through the state. By this time, however, the tide had turned. Conservative members of the Senate Subcommittee took direct aim at the Attorney General, who for them symbolized the Administration's somewhat lenient attitude toward rioters and student activists. They moved to limit the Attorney General's review powers. They felt that he should not be able to withhold funds from applicants for failure to comply with the provisions of the Act. They argued that the Attorney General, under the Administration's plan, would have too much control over the operation of local police departments. A number of senators argued that the Administration's Safe Streets Act would lead to the crowning of the Attorney General as the federal "anti-crime czar."³⁶

In a written response to a question from Senator McClellan asking whether the objectives of the legislation would be more fully realized if federal funds were apportioned among the states on the basis of population and then distributed to localities by state agencies, Ramsey Clark replied:

Once the tax funds come into federal hands, federal responsibility attaches to see that they are properly utilized. More importantly, there would be no particular advantage in having the funds administered by the states. The major responsibility for law enforcement in this country is handled at the local level . . . local juris-

³⁶ACIR, Making the Safe Streets Act Work, op. cit., p. 15.

dictions would be opposed to the states attempting to assume control over their law enforcement operations and the possibility that the states would use control of the purse string for such a purpose is significantly greater than the possibility that the federal government would do so. Thus the threat to local autonomy under such a proposal would be considerably more serious than the threat of federal control under the bill.³⁷

On July 17, 1967, the House Judiciary Committee reported favorably on the Safe Streets Act. They added six major amendments:

- local units were required to submit copies of their applications for planning and action grants to the governor of the state or states involved, and the governor was given 60 days to forward to the Attorney General, if he so desired, his written evaluation of the proposed project;
- the 50,000 population eligibility standard was deleted;
- the 5% annual improvement formula was dropped, and was replaced by provision for grantees sharing 40% of action program costs and for the Attorney General to determine whether or not applications are supported by adequate assurances that federal aid will be used to supplement and increase the amount of local dollars the applicant otherwise would have made available for law enforcement purposes;
- all authority to use federal funds for direct com-

³⁷ Senate, Controlling Crime, op. cit., p. 500.

pensation of law enforcement personnel, other than for conduct or undergoing training programs and performing innovative functions, was removed;

- the discretionary authority of the Attorney General was curbed by the addition of provisions calling for judicial review of his actions;
- as a means of achieving closer Congressional oversight, the open ended appropriation was deleted and funds were authorized for only fiscal 1969, with specific allocations for each title.

Republican members of the Judiciary Committee argued that the amendments were not sufficient. They were still fearful of the Attorney General's broad discretionary powers; and they still wanted to give the states still more control over the program. In August, Representative William Cahill of New Jersey offered an amendment from the floor of the House that came closer to what the Republicans had in mind. Key features of the Cahill amendment included

- authorization for federal planning grants to be awarded to the states for the establishment and operation of state level law enforcement and criminal justice planning agencies, created and directed by the Governor and representatives of state and local functional agencies, which would prepare comprehensive and innovative statewide plans, develop and coordinate projects, establish priorities, and make grants to general units of local government or combinations thereof;

- requirements that federal planning and action grants be made to the state planning agency, provided the agency had a comprehensive plan conforming to the purposes of the Act on file with the Attorney General within six months of approval of its planning grant. The Attorney General's office would receive local applications for financial assistance, determine whether such applications were in accordance with the objectives of the Act and were consistent with the state comprehensive plan, and disburse funds to applicants.
- allotment of a flat grant of \$100,000 to each state and allocation of 75 per cent of the annual appropriation among the states on a population basis, with the remaining 25 per cent constituting a discretionary fund for use by the Attorney General;
- provision in the state comprehensive plan for a mandatory pass through of at least 50 per cent of all federal financial aid received by the state planning agency for action programs; and
- authorization for the Attorney General to make planning and action grants to general units of local government if a state failed to establish a law enforcement and criminal justice planning agency or to file a comprehensive plan, provided that a copy of any local application was submitted to the Governor who within 60 days could send his evaluation of the proposed project to the Attorney General.³⁸

³⁸ ACIR, Making the Safe Streets Act Work, p. 17.

Opponents of the Cahill amendment argued that block grants were undesirable in view of the states' general lack of concern for urban problems and, particularly, because of their inexperience in law enforcement.

Proponents of the amendment replied that the administration's bill would have given virtually unlimited authority to the Attorney General's office and would have led eventually to the creation of a national police force.³⁹

The Cahill amendments passed by a vote of 378-23. The battle moved to the Senate where the Judiciary Committee attempted to curb the discretionary powers of the Attorney General by establishing a three-member Law Enforcement Assistance Administration (LEAA) and by reducing the maximum federal share of eligible costs for planning and action grants. The Senate launched a full-blown debate on the merits of block grants. Senator Dirksen offered an amendment requiring every state law enforcement and criminal justice planning agency to pass through to general units of local government at least 40% of federal planning funds received and at least 75% of federal action

³⁹U.S. Congress, House of Representatives, Committee on the Judiciary, Law Enforcement and Criminal Justice Assistance Act of 1967: Report to Accompany HR 5037, 90th Congress, first session, H. Report No. 488, July 17, 1967.

funds. Dirkson also proposed that 85% of the annual federal appropriations be allocated among the states according to their population and the remaining 15% at the discretion of the LEAA.

In a strange turn of events, supporters of the democratic Administration's bill picked up the earlier argument put forward by the Conservative coalition: namely, that law enforcement was a local function and therefore the states should be kept out of it. In addition, they argued that long delays would be involved in gearing up state government to implement action programs and that adoption of a block grant system would adversely affect local home rule and would stir up political conflict between the states and their cities and counties.⁴⁰ By that time, however, it was clear that the Administration had lost. In May, 1967, the Senate approved the Dirkson amendment by a vote of 48 to 29. Two weeks later, without resorting to a conference committee, the House adopted a resolution agreeing to the Senate's amendments and the bill was sent on to the President.⁴¹ On June 19, 1968, President Johnson

⁴⁰ Congressional Record, August 8, 1967, pp. 21812-61.

⁴¹ U.S. Congress, Committee on the Judiciary, Omnibus Crime Control and Safe Streets Act of 1967, pp. 2-9, 27-37.

signed the Omnibus Crime Control and Safe Streets Act into law.

By June of 1968, law and order had once again become a presidential campaign issue. Right before the President announced the signing of the LEAA bill, Richard Nixon publicly proposed that the federal government distribute block grants to the states in order to help shore up local law enforcement efforts. In effect, the Republicans stole the law enforcement initiative out from under the Democratic administration. Because the block grant provision that was ultimately adopted began as a Republican concept, the Republicans and not the Democrats received most of the credit for the LEAA program.

Many of the Administration's other law enforcement initiatives were also obscured by Republican modifications. Despite the efforts of Senate liberals, amendments minimizing the rights of defendants and easing restrictions on wiretapping were tacked on to the Administration's Omnibus Crime Control bill.

There was only one issue on which the Conservatives failed to overturn the Administration's efforts. This was in the area of gun control. Early in 1968, the outlook for gun

control legislation was dim. The mood of the Congress and the nation changed dramatically, however, when Robert Kennedy was assassinated.⁴² In fact, the passage of the entire Omnibus Crime Control bill with its restrictions on the sale of handguns was ensured by the Kennedy assassination. Putting aside the question of gun control, however, the Conservative coalition showed its greatest strength in many years in 1968 "achieving victory not only on the Safe Streets Act but on 73% of the votes in which it took an active interest."⁴³

The 1970 Version of the LEAA Bill

In 1970 Congress passed a new version of the Omnibus Crime Control Act authorizing appropriations of \$3.55 billion for the Law Enforcement Assistance Administration (LEAA). The amount authorized in 1970 was more than 10 times LEAA's total funding in its first two years of operation. In addition, the Congress amended the 1968 legislation, eliminating the requirement that the three-man administrative troika be unanimous in its decisions. Despite pressure from the nation's mayors, the 1970 law did not modify

⁴² Congressional Quarterly, June 7, 1968, p. 1433.

⁴³ Congressional Quarterly, November 1, 1968, p. 2983.

the block grant provision under which 85% of LEAA's funds went directly to the states. On the contrary, the 1970 amendments further weakened the cities' claim on LEAA funds by waiving the requirement that states pass through at least 40% of all planning grants and 75% of all action grants to local units. It did, however, require that all states allocate "an adequate share" of aid to areas with high crime rates.

The 1970 Act increased the portion of the total cost of a project which LEAA funds could cover from 60 to 75 per cent, reducing the amount which states or local units had to provide in matching funds. It stipulated, however, that as of fiscal 1973, the states themselves would have to provide at least 25% of the total matching funds.

Extensive hearings in both the House and the Senate revealed that during its first year of operation the LEAA program directed a disproportionate amount of its money toward police programs while slighting the courts and other aspects of the criminal justice system. (Police programs received three out of every four dollars awarded by LEAA in 1969; one out of every three was used for prevention and control of riots and other forms of civil disorder.) Nevertheless, testimony presented by Governors

Nelson Rockefeller, Raymond Shafer, and Richard Ogilvie, supporting the Nixon Administration's version of the 1970 bill, argued against any attempt to modify the block grant provision "until the states had sufficient time to prove that they could do the job."⁴⁴ John Lindsay, testifying in support of the Democratic version of the 1970 bill, argued that the manner in which federal funds were channeled to the states needed to be revised as quickly as possible:

State administration of the funds in the first year of the program has been nonproductive or counterproductive. Political and geographic factors, not the incidence of crime, have dominated the distribution of funds within the state.

In 1969 New York City received only 43% of the state's federal grant although it had more than 65% of the state's reported crime.⁴⁵

Lindsay also argued for the elimination of prohibitions on the use of LEAA funds for local police salaries and a reduction in local matching requirements from 40% to 10%. City managers and mayors from all over the country rallied behind the Lindsay position.

Attorney General John Mitchell, speaking for the Nixon administration, opposed any change in the state block

⁴⁴ Congressional Quarterly Almanac, 1970, p. 559.

⁴⁵ Ibid.

grant system of distributing federal crime-fighting funds.

He argued that

The state block grant concept will prove the best means of fighting crime in the future, helping create expert agencies concerned with developing statewide criminal justice programs and with supervising urban-suburban and urban-rural coordination of law enforcement programs.⁴⁶

As it turned out, the House of Representatives refused to waive the provision of the act requiring every state to pass on to its cities and local agencies 40% of the planning funds and 75% of action funds received from Washington. But the Senate eventually added a number of amendments which served to accomplish what the Nixon administration wanted. Senator Tydings charged that the block grant approach was not working. Other Senators said that it would work if given a little more time. In the end, it was the Senate Judiciary Committee which authorized a waiver of the percentage pass-through requirement. A number of Democratic Senators, including Edward Kennedy, criticized the Committee version of the 1970 bill for disregarding the needs of cities with especially different crime problems. However, the Senate defeated Kennedy's proposed amendment authorizing direct block grants to high-crime areas.

⁴⁶Ibid.

The Joint Conference Committee, assigned the task of hammering out differences in the House and Senate-passed versions of the bill, retained the Senate provision waiving the mandatory pass-through requirement and adopted instead a formula providing that the amount "passed through in each state correspond to the amount of statewide law enforcement costs which were funded and spent by local units the previous year." In addition, the Joint Committee retained the Senate provision limiting (to one-third) the proportion of any federal grant that could be used for local salaries.

In the end, the Nixon administration was able to loosen almost all the strings on state spending--further establishing the principle of open-ended block grants and setting the stage for the enactment of general revenue sharing legislation. The Democrats failed to muster the support they needed in the Senate to maintain a strong pass through provision that would have favored urban areas.

Summary

A number of forces emerged in the late 1960's to give the states more of a role in the administration of federal grants-in-aid. The Conservative coalition played an

important part in shaping the block grant provisions of the Partnership for Health Program and totally dominated efforts to design federal programs in the crime control field. The Coalition managed to bolster the role of the states in law enforcement over the objections of the Democratic (Johnson) administration. In 1968, Richard Nixon endorsed the block grant concept, hinting at the direction his Administration would take; and in 1970, he pressed for the elimination of practically all restrictions on the ways in which states could spend law enforcement block grants.

The cities meanwhile complained once too often about the inefficiency of the federal bureaucracy and the red tape of the Great Society's domestic programs. The more they complained the more fuel they added to Republican efforts to replace direct categorical assistance with block grants to the states. In some respects, the cities were biting the hand that was feeding them. Meanwhile, the Republican governors, looking to strengthen their own position, carved out a larger hunk of the federal pie for themselves.

A number of fortuitous events were especially important in shaping an expanded role for the states. The CHP and LEAA bills, for example, gained additional support as a

result of the rat control controversy and Robert Kennedy's assassination. In fact, the growing urban fiscal crisis which should have added a compelling note to deliberations about both of these programs was almost totally lost amid arguments for and against different ways of handling public health and law enforcement grants.

There was little if any hard evidence to justify renewed confidence in state government. Mostly, the Republicans fought for the block grant approach because they had more to gain by supporting Republican governors than big-city Democratic mayors. Moreover, it was not difficult for the Republicans to hide their raw political self-interest behind reformist arguments such as "the states will never get any better if the federal government continues to ignore them" or "the federal government has not been particularly successful in managing programs designed to aid the cities." The Republicans held to the theory that reapportionment would guarantee the cities a fair hearing at the hands of state officials. Moreover, as they were quick to point out, incipient efforts to modernize state government were already underway.

Many of the compromises made in order to buy the support necessary to guarantee passage of the CHP and LEAA bills

spelled trouble. Neither the scope of public health services nor the true meaning of criminal justice was ever clarified in the course of Congressional deliberations. The fact is that a special effort was made to obfuscate the legislative intent of both programs to provide an umbrella wide enough to cover everybody who had to be rewarded for their support. Congress opted for action without a real understanding of the causes of crime or the best way of handling the delivery of health services. Innovation substituted for a more precise notion of what was to be accomplished. Evaluation was totally ignored.

Since measures of effectiveness were not built in the legislation, there was never any way of determining whether the block grant programs were making matters better or worse. Certain strings were attached to the money allocated to the state, but these were pointless. There were no standards that could be used to evaluate the plans submitted for federal review. Since the intent of the legislation was fuzzy, there was no way of determining the acceptability of any particular plan. In effect, the planning requirements were merely "window dressing." Apparently Congress assumed that money--rather than skilled personnel or a professional planning capability--was what was missing. But as it turned out, they over-

estimated the speed with which the states would be able to gear up new public health and law enforcement machinery.

The drive for block grants and the debate about the relative merits of state involvement obscured the issue of equalization. Under the CHP and LEAA provisions, poorer states were not scheduled to receive special support. Moreover, no effort was made to provide incentives to states to shoulder more of the financial burden. All in all, it is not difficult to see why the CHP and LEAA programs ran head-on into all kinds of difficulties.

Chapter III: The Law Enforcement Assistance
Administration in Massachusetts

. . . Rarely has so much federal money been made available so fast with so little control. State and local governments received \$2.3 billion through a federal program administered by the Justice Department's Law Enforcement Assistance Administration (LEAA). Because of concern over urban riots, a startling rise in violent crime, and a realization that local enforcement agencies were crippled by lack of funds, Congress broke precedent with the tradition of keeping the federal government out of local law enforcement.

. . . LEAA has gone through numerous transformations of shape, purpose, and leadership in its stormy four-year life. It originally was paralyzed by a bipartisan, three-man leadership imposed by a Congress distrustful of former Attorney General Ramsey Clark. It had three directors, and for one ten-month period, had none.

. . . The emphasis on spending has shifted repeatedly: from anything innovative to any kind of traditional equipment, from equipment to "people programs," from loose federal supervision to strict federal rules and audits, from state control to more city control over funds, from an emphasis on police to an increased emphasis on courts and prisons.

--based on excerpts from The Washington Post

To a great extent, the debate over the effectiveness of the LEAA program has centered on the strengths and weaknesses of the block grant approach to intergovernmental fiscal management. Some critics have argued that a lack of centralized control in Washington has been the key obstacle to the achievement of the objectives legislated by Congress. The block grant mechanism was designed to give more control to state and local officials, but it seems,

in fact, to have limited the extent to which innovations in the criminal justice system have been able to take hold.

The mere passage of a law can not guarantee success. In the case of Massachusetts, a number of forces converged, impeding the implementation of the LEAA program. Massachusetts has handled its LEAA responsibilities rather competently; yet LEAA funds distributed by the state planning agency have gone mostly to a few large cities. Crime rate and need have not been taken into account adequately. The Law Enforcement Assistance Program has failed to promote significant institutional reform. There is a pat explanation: namely, that the states are incompetent. A more sophisticated explanation, however, is that in the absence of certain safeguards the block grant approach is bound to be ineffective (and at worst counterproductive) in spite of the efforts of right-minded state officials.

Background

In May of 1972, the House Government Operations Committee voted 22 to 14 along party lines to approve a report condemning the Law Enforcement Assistance Administration. The report, issued by the Subcommittee on Legal and Monetary Affairs, branded the LEAA program a failure and recommended that funding increases proposed by the Nixon administration be denied until specific irregularities were corrected.¹ The Committee, headed by James S. Monagan (D.-Conn.), charged that the block grant program of the Law Enforcement Assistance Administration had failed, in a number of ways. Funds had been used for political purposes and wasted on exorbitant consultants' fees. Excessive amounts had been spent on equipment and unnecessary hardware. Funds had been diverted from the direct needs of the criminal justice system into areas of social action already funded under other federal programs. And recipient agencies had been unable to absorb funds quickly and efficiently.

The Committee's Republican members denied that the alleged abuses of the program were widespread and claimed that

¹Block Grant Programs of the Law Enforcement Assistance Administration, Twelfth Report by the Committee on Government Operations (Washington: U.S. Government Printing Office, 1972).

virtually all the problems cited in the Monagan Report had already been corrected. They charged that the Democratic majority of the Subcommittee had failed to mention the innovative programs that had indeed been successful.²

Of \$552 million appropriated by Congress to carry out the program during its first three years, only 25% was actually disbursed by state planning agencies to local governments and other subgrantees. Of the \$413 million in unused program funds remaining at the end of the 1971 fiscal year, the states were holding nearly \$29 million in bank deposits or in investments in federal, state, and private securities. In many cases, state and local governments had invested in U. S. Treasury notes, thus lending back to the federal government (at prevailing interest rates) funds that had already been spent for law enforcement purposes and on which the federal government was already paying interest.³

The Subcommittee found that large amounts of money were

²Dissenting Views of Hon. Fernand J. St. Germain, *ibid.*, pp. 139-144.

³"House Panel Finds Inefficiency and Corruption in Crime Program," The New York Times, May 12, 1972 (see pages 12-17 of the Monagan report).

being spent on projects and programs that exceeded Congressional intent. New York and California, for example, spent nearly 30% of their funds on projects only tangentially related to the direct improvement of the criminal justice system. (In California, an award of \$75,000 was used to study the chronic learning problems of kindergarten children.)⁴

Congressional hearings turned up rather disturbing evidence of LEAA abuses. In Montgomery, Alabama, \$117,247 in planning funds were used to fund a police cadet college training program that was little more than a source of academic assistance for the sons of state officials. In Indiana, an all-weather plane was purchased to allow better mobility for law enforcement officials. The plane's log indicated that of the first 46 hours of flying time, 30 were used to fly the Governor and his family on matters that had nothing to do with law enforcement.⁵

The House Subcommittee was not the first to issue an

⁴Ibid. (See pages 61-69 of the Monagan report).

⁵Hearings before a Subcommittee on Government Operations, House of Representatives, 92nd Congress, First session, July 20, 21, 22, 27, 28, and 29, 1971, pp. 31-55, pp. 279-359.

appraisal of the LEAA program.⁶ In March, 1969, the National League of Cities published a critique of the block grant program asserting that the Safe Streets Act had failed to focus federal aid on the critical problems of urban-high crime areas.⁷ The League's review of first year allocations revealed that local planning funds were being used to finance "third levels of state bureaucracy as a matter of state administrative convenience." The League also claimed that the emphasis on state-wide planning

⁶Earlier evaluations include B. Douglas Harmon, "The Bloc Grant: Readings From A First Experiment," Public Administration Review, March/April, 1970, pp. 141-153, National League of Cities, Analysis of State Administration of Planning Funds Allocated Under the Omnibus Crime Control and Safe Streets Act of 1968 (Washington: NLC, March 18, 1968); The Urban Coalition and Urban America, Inc., Law and Disorder I and II: State Planning and Programming Under Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (New York: NUC, June 1969 and August, 1970); Advisory Commission on Intergovernmental Relations, Making the Safe Streets Act Work: An Intergovernmental Challenge (Washington: ACIR, September 1970); and National Association of Counties, National Urban County Survey of Crime Control and Safe Streets Act of 1968 (Washington: NAC, April 10, 1968).

⁷B. Douglas Harmon, op. cit., has pointed out that the city groups were able to influence LEAA's decision to allocate some of its discretionary funds to the eleven largest cities in the nation. This decision meant that the big cities each received \$100,000. LEAA officials admitted that this allocation was an effort specifically designed to pacify dissatisfied city interests. Soon after the announcement of the award, the National Governor's Conference complained that discretionary grants were a deviation from the block grant approach. The cities were also unhappy because they were required to gain the approval of state agencies before spending their funds.

relegated the cities to a secondary role and that rural areas were receiving a disproportionate share of LEAA funds.⁸

In June, 1969, the Urban Coalition published its first evaluation of the LEAA block grant program. The Coalition concluded that "planning was being carried out largely by a small number of professionals with limited representation from the poor and minority groups."⁹ In addition, they suggested that the states had disregarded key aspects of the criminal justice system by limiting their focus almost entirely to police activities. Three years later, after a far more comprehensive review, the Urban Coalition offered the following appraisal of the LEAA program:

Of the major goals of the [LEAA] program, one--the reduction of crime--has proven impossible of achievement through an effort focusing primarily on law enforcement agencies. LEAA has had and can have no substantial impact on the incidence of crime in the United States. More police equipped with the latest technological advances, courts with computerized calendars and newly trained administrators, and new corrections facilities providing a variety of forms of therapy and education have not been able to substantially affect crime at a time of high unemployment, failing public schools, and disintegrating urban centers. . . . The misapprehension that billions of dollars funneled into the LEAA program can and will reduce and prevent crime is placing undue

⁸National League of Cities, op. cit., p. i.

⁹The Urban Coalition, Law and Disorder I, op. cit.

pressure on the Justice Department to produce a quick downturn in the crime statistics, statistics that are noteworthy for their unreliability and easy distortion. This focus is diverting the agency from the more realistic objective of upgrading the agencies of the criminal justice system.

The second major goal of the program—that of strengthening law enforcement at all levels of government—is being achieved, but it is being achieved in a manner that raises serious questions about its desirability. There is no question that the agencies of the criminal justice system—the police, the courts and corrections institutions were antiquated and greatly in need of modernization at the time of creation of the LEAA program. They had two kinds of needs: (a) the functions they performed and their manner of operations required basic re-examination and restructuring; and (b) they had outstanding material and capital requirements. . . . LEAA has ignored the greater need for structural and functional reforms . . . and has instead concentrated on meeting existing material needs. Instead of purchasing innovation and reform, LEAA funds have, for the most part, simply brought "more of the same old stuff."

The time has come to recognize the limitations inherent in a program designed to build up law enforcement capabilities for purposes of seriously reducing crime. The nation needs a massive effort to get at the root causes of crime, but the LEAA program is not the proper vehicle for that effort. . . . The LEAA program should be either allowed to lapse at the end of fiscal 1973 or should be redefined and reduced in scale to focus on the restructuring and innovation that the criminal justice system so badly needs.¹⁰

There were strong rejoinders to the Coalition report, but the charges were never rebuffed. In the absence of a

¹⁰ The Lawyers Committee for Civil Rights Under Law, Law and Disorder III (Confidential Draft), September 1972, pp. 2-9. Law and Disorder III included an analysis of the LEAA program in five states—California, Massachusetts, Ohio, Pennsylvania, and South Carolina. Unfortunately the analyses provided were (of necessity) very sketchy and dwelt primarily on how funds were allocated rather than on what the projects themselves had accomplished.

careful state-by-state examination of the LEAA program, there was no way to tell whether or not the program had indeed failed, or if so, why.

LEAA in Massachusetts: An Overview

Massachusetts boasts one of the most efficient law enforcement assistance programs in the country.¹¹ The staff of the Governor's Committee on Law Enforcement (which administers the Safe Streets/Law Enforcement Assistance Program in Massachusetts) is highly competent and intent on achieving significant reforms in the criminal justice system. A number of exciting projects dealing with youthful offenders, the treatment of alcoholics, citizen security, and legal aid have been initiated in Massachusetts. The Committee has managed to spur action in several of the state's largest cities and to introduce "new blood" into some of the more sluggish local law enforcement operations. Efforts to implement sophisticated approaches to planning and program evaluation have begun, and the staff of the

¹¹The Urban Coalition concluded:

"Massachusetts represents one of the more successful programs. The staff . . . wants to do something besides equipping police. Although they have spent a moderate amount of time and money in getting projects through the 'planning stages,' some significant projects have begun to take shape."

Chapter III, p. 39.

Governor's Committee has not hesitated to emphasize interagency and intergovernmental cooperation in its attack on the causes of crime. Yet, even in the face of these accomplishments, there are a number of serious problems that have not been resolved.

The Massachusetts experience suggests that the LEAA program has not helped to reduce crime. During the first three years of the program, the crime rate in Massachusetts jumped from 1,863/100,000 to 3,004/100,000 while the total number of "index offenses" increased from 100,989 in 1967 to 170,900 in 1971.¹² Taking into account the situation in other states, there is reason to believe that state governments have not been up to the challenge posed by the problems of law enforcement or the opportunity provided by the block grant approach to intergovernmental grants-in-aid. At the very least, the LEAA block grant program has not been structured in a way likely to enhance its prospects for success.

¹² Index Crimes, as reported in FBI statistics, include murder and non-negligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny over \$50, and auto theft. For a critical assessment of the limitations of current crime reporting techniques see Hans Zeisel, "The Future of Law Enforcement Statistics: A Summary View," in Federal Statistics: Report of the President's Commission, Volume II, Washington, D. C., 1971, pp. 527-554.

The Safe Streets Act put the state government in an uncomfortable broker's role. Federal funds (apportioned primarily according to population) were awarded to state planning agencies (SPA's) designated by the governors. Each SPA was assigned the task of channeling funds through to deserving municipalities. They also had the job of inducing cities and towns to cooperate. For the most part, the communities that participated did so for one of two reasons: either some political official had something he wanted done and learned that the state had a pot of money it was having trouble giving away; or, someone in the state planning agency decided that a particular city or town was just right for (what the SPA deemed to be) a high-priority demonstration project of one kind or another. All in all, city representatives have not been happy with the control that the states have had over the disbursement of federal funds. In light of the LEAA experience, some city officials are more convinced than ever that they would be better off by-passing the states and dealing directly with Washington.

A review of LEAA grant allocations from 1969-1971 in Massachusetts indicates that federal funds were not distributed in proportion to either population or crime rate.¹³

¹³This is not necessarily bad. State officials have argued that a

Even in 1971 when the SPA shifted to a major-city strategy designed to zero in on specific types of crimes within particular geographical areas, neither population nor crime rate could account for the uneven pattern of grant allocations in the Commonwealth.¹⁴

Various city officials and local community representatives charged that the grant allocation process was predominantly a political exercise involving, in some cases, the worst sort of cronyism. Yet little if any evidence has been found to support such allegations. Other criticisms, however, have not been difficult to validate.

disproportionate amount needed to be allocated to those cities with the capacity to design and implement programs with a good chance of success. The outcome of such a policy would be to reinforce those cities and towns with strong administrative capabilities (probably the wealthier towns) and to slight many of the neighborhoods in need of assistance. Federal funds were apportioned according to population. Some local officials argued that the funds should have been distributed in like manner within each state. This of course would have provided little if any inclination for cities and towns to come up with new or imaginative project proposals.

¹⁴In 1971 almost 60% of the state's funds were set aside for the cities of Boston, Cambridge, Lynn, New Bedford, Springfield, and Worcester. Area security projects were designed to enable these cities to examine and strengthen their law enforcement organizations and facilities; to develop new laws and ordinances; to provide better equipment; to organize the community for citizen involvement; to improve police-community relations; and to set up community-based prevention and rehabilitation programs. 3rd Annual Report of the Law Enforcement Association Administration 1971 (Washington: U.S. Government Printing Office, 1971), p. 168.

While many LEAA-supported projects attracted a great deal of attention (and in some cases helped to spark a re-thinking of local and state approaches to criminal justice and law enforcement), the evidence seems to indicate that fundamental institutional reforms have not been achieved. If federal support for the Law Enforcement Assistance Program in Massachusetts had been halted at the end of 1972, the impact of four years' effort and \$30 million would have been practically nil. Certainly a relatively large number of young and highly-trained professionals secured jobs through the LEAA program. But numerous demonstration projects died on the vine. Moreover, many if not all of the most successful projects would have come to an abrupt end if the cities and towns had been forced to foot the bill on their own. In short, the process of institutionalization did not take hold.

The critical question is whether the inability of state government to achieve badly needed reforms in the criminal justice system is something that can be overcome with time (as state officials build up expertise in the law enforcement field) or whether fundamental reform is in fact impossible as long as the Congress and the President place their confidence in the block grant approach to intergovernmental management.

It is clear that the state had access to more money than it could spend. SPA hiring was not encumbered by civil service regulations or legislative interference. What accounts then for the limited impact of the LEAA program? Whether measured in terms of reductions in the crime rate or in terms of improvements in the day-to-day operation of the police, the courts, or correctional facilities, the impact of the LEAA program has indeed been limited.

A thorough review of the Massachusetts experience suggests that the failures (and interestingly enough the successes) of the Law Enforcement Assistance Administration can be explained in several different ways. The key impediments to successful institutional reform include the imbalance of power among the different components of state administration; the difficulties involved in promoting citizen participation at both the city and state level; a lack of a professional planning capability at the local level coupled with municipal resentment toward state efforts to provide technical assistance; the failure of Congress and the Justice Department to spell out exact criteria for evaluating efforts to improve the criminal justice system; the inability of state government to break through entrenched coalitions at the municipal level and to implement collaborative/metropolitan approaches to law enforce-

ment; and finally the paucity of simple theoretical models of institutional reform that might have served to ground haphazard attempts at innovation. These impediments are discussed in more detail below.

LEAA Expenditures in Massachusetts

From the time the LEAA program began in 1969 until the start of fiscal 1972, Massachusetts received almost \$17 million in block grant support (not including special discretionary awards which the U.S. Department of Justice also made to a number of cities and towns in Massachusetts).¹⁵ (See Appendix D.) Table V summarizes the

¹⁵Eighty-five per cent (85%) of all LEAA funds authorized by the Congress was allocated in block grants to the fifty states according to their respective populations. Fifteen per cent (15%) was awarded for individual projects at the discretion of the U.S. Department of Justice (thus the term discretionary grants). During the 1969-1971 period, Massachusetts received almost \$3.8 million in discretionary grants (large cities, \$740,000; counties, \$800,000; smaller cities and towns, \$304,000; and state agencies, \$1,940,000). For the most part, the discretionary grant system has been clumsy and inefficient. The regional office of the Justice Department has not had the staff to put together a comprehensive regional program of any kind. In some cases discretionary grants have been used to supplement state block grants for projects that the two agencies have approved for different reasons or under different circumstances. This has occurred even though the SPA has been required to sign-off on all discretionary grant requests originating in Massachusetts). The state planning agency has done its best to ignore discretionary grant allocations in trying to determine whether or not cities and towns are eligible for block grant awards. There has been almost no evaluation of projects funded through the regional office. Unfortunately it seems as if the Washington and regional offices of LEAA have been working at cross-purposes to the Governor's Committee.

block grant awards made to Massachusetts: \$1,131,000 in 1969; \$5,418,000 in 1970; and \$10,092,000 in 1971. Ninety per cent of this was action money for projects designed to improve the efficiency of the criminal justice system. The remainder was planning money set aside for the state planning agency and selected cities to use in mapping out coordinated attacks on the problems of crime and law enforcement. (See Table V for a summary of planning grant allocations to Massachusetts.) LEAA allocations have increased annually. (Massachusetts received a block grant of \$13,580,000 in 1972--more than twice the average annual award for the first three years of the program.)

Table VI summarizes the grants made by the Governor's Committee in 1969, 1970, and 1971. State agencies received 34% of all project money; county government, 8%; cities over 100,000, 39%; cities between 50,000 and 100,000, 14%; towns between 20,000 and 50,000, 3%. The remaining 2% of the funds was awarded to regional planning agencies and towns under 20,000. Table VII indicates that cities with 100,000 or more inhabitants received \$4.77 per capita (during the three-year period under study) while cities between 50,000 and 100,000 received substantially less--\$1.90 per capita.

Table V

FUNDS ALLOCATED TO MASSACHUSETTS BY THE
U. S. DEPARTMENT OF JUSTICE UNDER THE
LAW ENFORCEMENT ASSISTANCE BLOCK GRANT PROGRAM

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>3-year total</u>
<u>Project Funds</u>				
Allocated to Massachusetts \$	666,000	\$4,902,000	\$ 9,424,000	\$14,992,000
Awarded during the fiscal year	698,902 ^a	5,679,111 ^a	7,807,222 ^a	14,285,235 ^a
<u>Planning Funds</u>				
Allocated to Massachusetts	465,000	516,000	668,000	1,649,000
Awarded during the fiscal year	208,800 ^b	267,691 ^b	378,396 ^b	854,887 ^b
Total Allocation to Massachusetts	\$1,131,000	\$5,418,000	\$10,092,000	\$16,741,100

^aIn 1969 and 1970 the Governor's Committee awarded more money than it received. That is, it approved applications in one fiscal year but did not allocate funds until the following year. This accounts for some of the discrepancies among various summaries of LEAA expenditures in Massachusetts. In the state's annual reports, only those awards actually dispersed in a given year are listed. In a privately prepared analysis of LEAA expenditures in Massachusetts (undertaken by Data Dynamics of Rhode Island) some awards were counted twice—once during the year in which a decision to award was made and once during the year in which the funds were actually dispersed.

The LEAA record keeping system is somewhat confusing. A list of awards is kept, but in many instances running expenditure totals for various grants are unavailable. Thus, a city may have been awarded \$50,000 in 1969 for a project, have spent \$25,000 of that award in 1969, \$25,000 in 1970, and have received an additional grant renewal of \$10,000 for the same project in 1971. State records show this as separate awards for each of three years. In Table V such an award/spending process would appear as a \$50,000 award in 1969 and a \$10,000 award in 1971. Unfortunately, the LEAA record keeping system makes it hard to be accurate in situations such as these.

^bThese figures do not include planning funds retained and spent by the Governor's Committee itself.

Table VI

SUMMARY OF LEAA ACTION GRANT ALLOCATIONS IN MASSACHUSETTS 1969-1971

	<u>1969</u>		<u>1970</u>		<u>1971</u>		<u>Totals</u>	
State Agencies	\$170,885	25%	\$1,464,980	25%	\$3,251,818	42%	\$4,887,683	34%
County Government	126,979	18	432,432	8	620,854	8	1,180,265	8
Cities over 100,000	269,394	39	2,253,211	40	3,126,732	39	5,649,337	39
Cities between 50,000 and 100,000	85,699	12	1,209,155	21	727,858	9	2,022,712	14
Towns between 20,000 and 50,000	<u>11,945</u>	2	<u>187,124</u>	3	<u>149,960</u>	2	<u>349,029</u>	3
	664,902 ^a		5,546,902 ^b		7,877,222 ^c		14,089,026 ^d	

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^aIn addition, regional planning agencies received \$24,000 and towns under 20,000 approximately \$10,000. The actual total for 1969 was \$698,902.

^bTowns under 20,000 received an additional \$35,000 and \$97,209 was spent on police teletype terminals in a series of municipalities. The adjusted total for 1970, therefore, was \$5,679,111.

^cTowns under 20,000 received an additional \$30,000 for an adjusted 1971 total of \$7,907,222.

^dThe adjusted three-year total (given a, b, and c above) is \$14,285,235.

Table VII

SUMMARY OF LEAA PROJECT AWARDS IN MASSACHUSETTS 1969-1971

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>3-Year Total</u>
STATE AGENCIES				
Dept. of Public Safety	\$ 40,525	\$ 187,646	\$ 505,000	\$ 733,171
Dept. of Corrections	41,330	292,184	387,321	720,835
MDC	16,800	15,000	50,000	81,800
Mass. Superior Court	4,950	10,000	125,000	139,950
Parole Board	8,000	60,000	100,000	168,000
Attorney General	14,850	155,000	182,292	352,142
Municipal Police Science Institute	51,000	-	-	15,000
Mass. Police Training Council	15,430	-	200,000	215,430
Office of Commissioner of Probation	5,000	78,000	25,000	108,000
Mass. Defenders	9,000	70,000	183,950	262,950
Chief Justice of the Supreme Court	-	-	65,000	65,000
Dept. of Mental Health	-	42,000	-	42,000
Division of Youth Services	-	172,550	635,000	807,550
UCS-Joint Correctional Planning	-	75,000	200,000	275,000

Table VII Continued

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>3-Year Total</u>
STATE AGENCIES Continued				
Chief Justice- District Courts	-	\$ 13,600	\$ 47,500	\$ 61,100
Regional Board of Community Colleges	-	20,000	-	20,000
Mass. Association of Chiefs of Police	-	50,500	-	50,500
Division of Civil Service	-	-	46,000	46,000
Governor's Committee:				
N. E. Institute of Law Enforcement	-	-	42,000	42,000
Maine	-	20,000	-	20,000
Harvard	-	11,500	89,235	100,735
Lowell Tech	-	75,000	-	75,000
Committee Administered	-	117,000	368,520	485,520
	<u>\$170,885</u>	<u>\$1,464,980</u>	<u>\$3,251,818</u>	<u>\$4,887,683</u>
COUNTIES				
Barnstable	12,765	18,000	11,677	42,442
Berkshire	-	-	-	-
Bristol	8,000	15,000	11,000	34,000

Table VII Continued

COUNTIES Continued	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>3-Year Total</u>
Dukes	\$ -	\$ -	\$ -	\$ -
Essex	-	-	-	-
Franklin	15,000	-	34,160	49,160
Hampden	18,000	-	81,569	99,569
Hampshire	-	-	46,000	46,000
Middlesex	39,214	134,856	231,351	405,421
Nantucket	-	-	-	-
Norfolk	5,000	34,980	44,245	84,225
Plymouth	8,000	68,537	30,612	107,149
Suffolk	21,000	94,575	39,739	155,314
Worcester	-	66,484	90,501	156,985
	<u>\$126,979</u>	<u>\$432,432</u>	<u>\$620,854</u>	<u>\$1,180,265</u>
CITIES OVER 100,000				
Cambridge (100,361)	41,399 (.41)	280,112 (2.79)	256,699 (2.56)	578,210 (5.76)
New Bedford (101,777)	39,465 (.39)	87,231 (.86)	466,118 (4.57)	592,814 (5.82)
Springfield (163,905)	23,500 (.14)	135,113 (.82)	179,239 (1.09)	337,852 (2.06)

[figures in parentheses are per capita allocations]

Table VII Continued

	<u>1969</u>		<u>1970</u>		<u>1971</u>		<u>3-Year Total</u>	
CITIES OVER 100,000 Continued								
Worcester (176,572)	\$ 10,080	(.06)	\$ 314,790	(1.78)	\$ 281,822	(1.60)	\$ 606,692	(3.44)
Boston (641,071)	<u>154,950</u>	<u>(.24)</u>	<u>1,435,695</u>	<u>(2.23)</u>	<u>1,942,854</u>	<u>(3.03)</u>	<u>3,533,769</u>	<u>(5.50)</u>
	\$ 269,394	(.23)	\$2,253,211	(1.90)	\$3,126,732	(2.64)	5,649,337	(4.77)
CITIES BETWEEN 50,000 and 100,000								
Fall River (96,898)	-		-		12,000	(.12)	12,000	(.12)
Lowell (94,239)	-		208,800	(2.20)	-		208,800	(2.20)
Newton (91,263)	1,359	(.02)	128,799	(1.40)	199,300	(2.18)	328,099	(3.59)
Lynn (90,294)	-		175,551	(1.94)	70,191	(.78)	245,742	(2.70)
Brockton (89,040)	25,850	(.29)	103,525	(1.16)	64,059	(.72)	193,434	(2.17)
Somerville (88,779)	-		63,520	(.71)	115,250	(1.29)	178,770	(2.00)
Quincy (87,966)	39,415	(.45)	168,864	(1.92)	25,000	(.28)	233,279	(2.65)
Chicopee (66,676)	1,358	(.02)	28,532	(.42)	-		29,890	(.45)

[figures in parentheses are per capita allocations]

Table VII Continued

	<u>1969</u>		<u>1970</u>		<u>1971</u>		<u>3-Year Total</u>	
CITIES BETWEEN 50,000 and 100,000 Continued								
Lawrence (66,915)	\$	6,000 (.09)	\$	206,522 (3.08)	\$	-	\$	212,522 (3.17)
Medford (64,397)		9,000 (.14)		64,500 (1.00)		29,268 (.45)		101,768 (1.58)
Framingham (64,048)		1,358 (.02)		10,542 (.16)		37,480 (.58)		49,381 (.77)
Brookline (58,689)		-		-		155,310 (2.64)		155,310 (2.64)
Malden (56,127)		-		-		20,000 (.35)		20,000 (.35)
Holyoke (50,112)		1,359 (.02)		50,000 (.99)		-		51,359 (1.02)
	\$	<u>85,699 (.08)</u>	\$	<u>1,209,155 (1.13)</u>	\$	<u>727,858 (.68)</u>	\$	<u>2,022,712 (1.90)</u>
CITIES BETWEEN 20,000 and 50,000								
Peabody (48,080)		-		14,280		-		14,280
Fitchburg (43,243)		-		12,000		92,700		104,000
Revere (43,159)		-		15,000		29,900		44,900
Everett (43,243)		-		15,600		-		15,600

[figures in parentheses are per capita allocations]

Table VII Continued

CITIES BETWEEN 20,000 and 50,000 Continued	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>3-Year Total</u>
Haverhill (42,120)	\$ -	\$ -	\$ 27,360	\$ 27,360
Salem (40,556)	-	10,000	-	10,000
Watertown (39,307)	-	12,000	-	12,000
Beverly (38,348)	-	12,500	-	12,500
Woburn (37,406)	-	14,397	-	14,397
Attleboro (32,907)	6,200	-	-	6,200
Chelsea (30,625)	-	31,000	-	31,000
Marlborough (27,936)	5,745	7,097	-	12,842
Milton (27,190)	-	15,000	-	15,000
Winchester (22,269)	-	28,250	-	28,250
	<u>\$ 11,945</u> (.02)	<u>\$ 187,124</u> (.36)	<u>\$ 149,960</u> (.29)	<u>\$ 349,029</u> (.68)

[figures in parentheses are per capita allocations]

Disproportionate Spending in the Largest Cities

From 1969 to 1971 the state's largest cities received a disproportionate share of the LEAA money granted to Massachusetts. State planning officials justified this spending pattern in several different ways. First, they argued that larger cities offered economies of scale. That is, the cost of providing services in bigger cities was presumed to be less since people are closely packed. Also, they suggested that once a certain population level is reached it becomes feasible to introduce new technologies that can ultimately reduce the per capita cost involved in providing certain services. There are counter-arguments. Especially crowded conditions in large urban areas may increase the cost of providing law enforcement (particularly police) services. For example, the most highly populated areas suffer from special difficulties requiring costly solutions as in the case of traffic control or communications. In many big cities, the need for specialized equipment implies a need for highly trained personnel that can add substantially to the cost of services.¹⁶

¹⁶If nothing else, the cost of living in big cities is higher; thus salaries and operating costs have to be higher. All in all, the evidence for and against the presence of economies of scale is inconclusive. This is true partly because it is so difficult to develop adequate measures of performance (indicators of service quality) that

Various public officials have pointed to the fact that LEAA funds were intended primarily to combat crime; since crime rates have been higher in big cities, the largest cities deserve an extra share of the crime-fighting money. Of course, this ignores the fact that suburban areas have experienced the most dramatic increase in crime rates over the past few years.

Perhaps the most convincing argument for disproportionate spending in large urban areas is that only the largest cities have the capacity to attract and retain the professional staff needed to implement significant reforms in the criminal justice system. In approving a larger share of the proposals emanating from big-city agencies, the state planning agency claimed that it was only trying to enhance the probability of spawning at least a few

can be used to assess the relative cost of providing a unit of a particular service (at a constant level of performance). Until acceptable measures of performance are developed, it will remain nearly impossible to sort out the arguments regarding alleged economies and diseconomies of scale. See Warner Hirsch, "Local and Area-wide Urban Government Services," National Tax Journal, December, 1964, No. 4; and Charles Tiebout, "Economies of Scale and Metropolitan Government," Review of Economics and Statistics, Volume 42, No. 4, 1967, for a more complete discussion of the problems of calculating economies of scale in public services. Also, see Lawrence Susskind et al., "Criteria for Sub-state Regionalization of Public Services in Massachusetts: Potential Economies of Scale," Massachusetts Department of Administration and Finance, August, 1971, for a thorough analysis of the economies of scale issue with regard to police and law enforcement.

innovative projects.¹⁷ Of course, there are counter-arguments on this score as well. Crime and law enforcement problems may be more severe and indeed more difficult to come to grips with in the largest cities. It is often harder to get things done or to implement changes in big-city agencies. In addition, social service institutions in major metropolitan areas often compete for the same constituency, and at times are unwilling to coordinate their activities. This tends to diminish the chances of implementing innovative approaches to juvenile delinquency, police-community relations, and other law enforcement activities. Finally, political control in most large cities has become terribly fragmented in recent years. Without centralized leadership and control it is often difficult to implement innovative approaches to service delivery. In short, it seems that state officials have tried to use a measure of innovative capacity to justify the skewed distribution of LEAA funds in favor of large cities, but the case for such favoritism has by no means been substantiated.

¹⁷For example, the LEAA Third Annual Report mentions that "Worcester hired community service officers from the Model Cities neighborhood areas to assist the police in patrol responsibilities and to increase the number of police personnel in high crime areas." Also, "Boston initiated a program of training and equipping a citizens auxiliary force" and has developed a model code for new housing project construc-

The failure to pass through the required percentage of funds: Many law enforcement problems transcend geographical boundaries. Perhaps this is why state agencies and county government received an unusually large share of LEAA funds allotted to Massachusetts from 1969 to 1971. A more cogent explanation was never offered. The original LEAA legislation called for a mandatory 75% pass through to cities and towns, but state and county agencies received almost 42% of the action money allocated by the SPA.¹⁸

Discussions with the staff of the Governor's Committee as well as reports contained in the annual state plans suggest that grant allocations have been made according to: (1) crime rate; (2) city size or population level; and

tion. Springfield's approach to reorganizing police patrols has also been mentioned in the state plan as an "innovative" project along with the highly touted Youth Resource Bureau in Cambridge. Since the greatest number of proposals have been submitted by big-city agencies, it is not surprising that most of the innovative programs are found in big cities.

¹⁸From 1969 to 1971 state agencies received 34% and counties received 8% of block grants awarded in Massachusetts. County governments in Massachusetts cannot be considered units of local government since they are supported entirely by the state, have no popularly elected leadership, and do not have taxing power. Thus, only 58% of the LEAA money in the state has actually been passed along to units of local government.

(3) the innovative character of grant proposals.¹⁹ Of course, other considerations undoubtedly come into play including prior levels of LEAA funding; the technical feasibility of proposed projects; and the SPA's estimate of local skills and resources.

Changing Priorities: Each year the Governor's Committee sets priorities of one kind or another. For instance, in 1970 and 1971 special consideration was given to projects aimed at combatting juvenile delinquency. The means by which priorities are set is somewhat obscure, but the fact remains that projects are selected in the

¹⁹The 1969 Comprehensive Criminal Justice Plan for Crime Prevention and Control for the Commonwealth of Massachusetts indicated that application disapprovals were based on one or a combination of the following: (1) unavailability of funds to adequately support a proposed program or project; (2) poor program design; (3) conflict with substantive or administrative criteria contained in the state plan; (4) conflict with priorities spelled out in the annual state plan. The 1969 plan also indicated that

"within the confines of good program design and potential for successful execution . . . balanced distribution [has been sought] among cities, towns, and counties of various sizes and appropriate metropolitan groupings. Priority naturally [has been] given to areas of high crime."

P. 505. Emphasis has also been given to projects with the greatest potential for success defined in terms of likelihood that project results will be implemented; operational utility or value of project results; availability of required background information and skilled professionals to conduct the project; and appropriateness of Justice Department support for the project, p. 402.

context of priorities set each year.²⁰ Table VIII summarizes the percentage distribution of LEAA funds according to priority areas. The relative emphasis on police and engineering diminished slightly from 1969-1971 but they still accounted for nearly one-third of all LEAA expenditures in Massachusetts in 1972. Evaluative research and public education each received less than one per cent of the annual LEAA budget.

The 1971 state plan asserted that the "entire planning and sub-grant process was designed to solicit and encourage local initiative in the choice, development, and conduct of programs and projects." Members of the Governor's Committee claimed that they sought a balanced distribution of funds among units of local government and among various state agencies. To achieve this the Committee claimed that it was relying on specific (non-competitive) allocations to particular units or combinations of units of government and combinations of special eligibility

²⁰In 1972 the Governor's Committee organized its members into a series of subcommittees concerned with different topics (such as police, courts, juvenile delinquency, etc.). Each subcommittee was given an opportunity to review materials prepared by the staff. Through these subcommittees, committee members--especially representatives of state agencies operating in criminal justice-related areas--were able to influence the relative emphasis placed on specific problem areas.

Table VIII

PERCENTAGE DISTRIBUTION OF LEAA BLOCK GRANT FUNDS
ACCORDING TO AREA OF SPECIAL INTEREST 1969-1971

	1969%	1970%	1971%
<u>Police</u>			
Police Personnel Development	5	8	5
Police Management and Support	8	6	9
Police Operations	1	3	2
Police-Community Relations	<u>13</u>	<u>3</u>	<u>4</u>
	<u>27</u>	<u>19</u>	<u>20</u>
<u>Courts</u>			
Prosecution	6	2	3
Defense	2	1	1
Court Administration	<u>-</u>	<u>1</u>	<u>3</u>
	<u>8</u>	<u>4</u>	<u>8</u>
<u>Corrections</u>			
Adult Diversion and Probation	-	2	1
Corrections and Parole	5	8	13
Corrections Systems Development	<u>-</u>	<u>3</u>	<u>4</u>
	<u>5</u>	<u>13</u>	<u>18</u>
<u>Juvenile Delinquency</u>			
Juvenile Diversion and Community Resources	7	10	11
Juvenile Courts and Probation	5	3	2
Youth Service Reorganization	<u>-</u>	<u>3</u>	<u>7</u>
	<u>12</u>	<u>16</u>	<u>21</u>
<u>Drugs/Alcohol</u>			
Community-based drug treatment	2	4	5
Alcohol Detoxification	<u>-</u>	<u>4</u>	<u>4</u>
	<u>2</u>	<u>8</u>	<u>9</u>
<u>Crimes</u>			
Specific Crimes	-	-	1
High Crime Area Security	3	6	7
Organized Crime	<u>2</u>	<u>3</u>	<u>-</u>
	<u>5</u>	<u>9</u>	<u>8</u>
<u>Engineering</u>			
Criminal Justice Information Systems	-	14	1
Police Information System	8	1	2
Police Communications	<u>9</u>	<u>9</u>	<u>8</u>
	<u>17</u>	<u>24</u>	<u>11</u>
<u>Resources</u>			
Criminal Justice Devlpmt. Agencies	22	4	3
Evaluative Research	-	2	1
Public Education	<u>-</u>	<u>-</u>	<u>1</u>
	<u>22</u>	<u>6</u>	<u>5</u>

Source: 1972 Comprehensive Criminal Justice Plan--Program Descriptions

classifications for competitive projects. In choosing among two or more applicants qualified under the special eligibility classifications, the Committee tried to assess need, capability, ability to meet matching requirements, and willingness to accept responsibility for increasing program support.

Selecting cities and towns in special need of assistance:

In connection with the need criterion mentioned above, the staff of the Governor's Committee claimed that the following factors received special consideration (see Table IX):

- (1) Population: All cities and towns with populations of over 75,000 persons were given priority. This decision was based on the fact that crime was concentrated in the larger cities. Twelve communities contained over 50% of the total index crimes committed in the states.
- (2) Five-year crime rate: All cities and towns with a five-year average crime rate of over 2,500 per 100,000 residents were given special consideration. The five-year average crime rate was determined by averaging the number of crimes (uniform crime reports) during a five-year period and dividing this by the population figure from the State Census. Seven communities fell into this category.
- (3) Number of crimes: All those communities with over 2,000 crimes per year were considered to be

Table IX

CRITERIA FOR PRIORITY CONSIDERATION (1970)

	Population Over 75,000	5 Year Crime Rate Over 2500/100,000	Number of Crimes Over 2,000/Year	Juvenile Cases Over 700/Year	Density Over 10,00/sq. mile	Housing Over 14% Deteriorating or Dilapidated	Number of House- holds Under 5% Annual Income Model Cities	Total	% of Total States Index Crimes	Priority Ranking
Boston	X	X	X	X	X	X	X	9	24.7	1
Worcester	X	X	X	X	X	X	X	8	6.1	1
Springfield	X		X	X	X	X	X	6	3.3	1
New Bedford	X	X	X	X		X	X	7	3.3	1
Fall River	X		X		X	X	X	5	2.0	2
Cambridge	X	X	X		X	X	X	7	3.9	1
Lynn	X	X	X		X	X	X	7	2.5	1
Newton	X							1	1.5	
Quincy	X		X					2	1.8	
Lowell	X			X	X	X	X	5	1.1	2
Somerville	X		X		X	X		4	1.8	2
Brockton	X		X					3	1.8	2
Lawrence					X	X	X	3	1.3	2
Medford								0	0.7	
Chicopee							X	1	0.5	
Waltham								0	0.8	
Pittsfield							X	1	0.6	
Malden					X			1	0.6	
Brookline		X	X					3	1.9	2
Holyoke							X	2	0.7	
Arlington					X			1	0.5	
Framingham								0	0.8	
Weymouth								0	0.3	
Chelsea		X		X	X	X	X	6	0.7	

Source: 1971 State Plan, p. 380

in special needs of LEAA funds. Eleven communities fell into this category.

- (4) Juvenile cases: All cities and towns with over 700 juvenile cases in a given year were given one "check mark." Figures were based on statistical tables included in letters of the Chief Justice to the Justice, Clerk, and Probation Officers of the District Courts. These figures were little more than vague approximations of the number of such cases in the individual cities and towns. Six communities fell into this category.
- (5) Poverty indicators: As the report of the President's Commission on Law Enforcement and Administration of Justice pointed out, "burglary, robbery and serious assaults occur in areas of social disorganization: areas where there is high unemployment, poor education and housing, and large concentrations of low-income families." Although there are few accurate statistics on communities with such areas of disorganization, a few selected factors were considered in ranking cities on the basis of poverty and social disorganization. These figures were computed only for those communities with over 50,000 people and, in the singular case of Chelsea, for a city with a crime rate of over 3,000 per 100,000 persons.
- (6) Population density: Those cities with concentrations of over 10,000 persons per square mile were given "one checkmark." Although density of population may not be spread evenly throughout a community, it was assumed that in those communities of highest density, there are certain

sections of considerably higher density than the city itself. Seven communities had densities of over 100,000 persons per square mile.

- (7) Housing conditions: Those communities with over 14% of their housing stock in dilapidated or deteriorating condition were given one checkmark. (Again as with density figures there were some areas with more sound housing and other areas with poorer housing within one community.) Nine communities fell into this category.
- (8) Annual incomes: Those communities with over 20% of their households with annual incomes of less than \$5,000 were given one checkmark. In 1970 fourteen communities had 20% of their households with annual incomes of less than \$5,000.
- (9) Model Cities: Those communities which had model cities programs were also given one checkmark.

These cities chosen on the basis of low-income, deteriorating neighborhoods with problems of social disorganization, would be likely targets for criminal activity and hence for priority consideration by the Committee.

There were nine model city communities within the Commonwealth.²¹

Based on these considerations, seven primary target cities and six secondary target cities were designated in the 1970

²¹ 1971 Comprehensive Criminal Justice Plan for Crime-Prevention and Control, Commonwealth of Massachusetts, pp. 378-382.

State Plan (see Table IX). All communities with a total of six (or more) checkmarks were selected as primary targets, and those with a total of three to five as secondary targets. In 1969 the seven primary target cities (Boston, Worcester, Springfield, New Bedford, Cambridge, Chelsea and Lynn) contained 44.5% of the state's total index crimes. The secondary target cities (Fall River, Somerville, Brockton, Brookline, Lowell, and Lawrence) contained 9.9%.

It is difficult to know whether the Governor's Committee took this set of indicators seriously, since primary target cities received approximately \$3.80 per capita between 1969 and 1971 (while all cities over 100,000 received \$4.77 per capita).

The secondary target cities received approximately \$2.00 per capita (while all cities between 50,000 and 100,000 were awarded an average of \$1.90 per capita). Selection as a secondary target city certainly did very little for Fall River which received only \$0.12 per capita from 1969-1971. Newton, on the other hand, which was at the bottom of the needs list, received \$3.50 per capita (more than all but three of the thirteen target cities).

In 1971 the Governor's Committee revamped the criteria for priority consideration (see Table X). Fall River edged up into the top priority classification, while Chelsea dropped to the bottom of the list (although the crime rate in Chelsea had increased). Brockton and Lawrence also moved farther down on the list. The top priority cities under the new system received \$3.50 between 1969 and 1971, while the secondary target cities received \$1.80. In other words, using the 1971 criteria of need as a measure of where LEAA should have been going, the distribution pattern was even more difficult to justify.

Matching requirements: The original LEAA legislation and the 1970 amendments put certain restrictions on the allocation of block grants within the state. Planning grants of \$100,000 were awarded annually to each state (with a substantial supplementary planning grant calculated on the basis of population). The 1970 amendments required each SPA to guarantee that major cities and counties received planning funds, but no specific formula was indicated. The original legislation called for an automatic 40% pass through of planning monies. The restrictions on action grants were somewhat more severe. Besides the mandatory 75% pass through mentioned earlier,

Table X
 CRITERIA FOR PRIORITY CONSIDERATION (1971)

	Population Over 75,000	Annual Crime Rate 3,000 per 10,000	Number Crimes Over 3,500 Per Year	Juvenile Cases Over 650 per Year	Density Over 10,000/sq. mile	20% of Households Under \$5,000 Annual Income	Model Cities Program Total	Priority Ranking	Per cent of Total States Index Crimes	Number of Sworn Officers
Boston	641,071X	5,973X	38,294X	824X	X	32.5X	X 8 1	22.4	2,798	
Springfield	163,905X	4,780X	7,834X	657X		29.3X	X 7 2	4.6	328	
New Bedford	101,777X	4,576X	4,657X	725X		25.5X	X 7 3	2.7	252	
Fall River	96,898X	4,716X	4,570X	678X		24.2X	X 7 4	2.7	233	
Worcester	176,572X	6,454X	11,396X	843X		17.2	X 6 5	6.7	419	
Cambridge	100,361X	7,536X	7,563X	515	X	16.4	X 6 6	4.4	252	
Lynn	90,294X	4,749X	4,288X	770X		16.6	X 6 7	2.5	183	
Quincy	87,966X	3,808X	3,350	802X		11.5	3 8	1.9	194	
Somerville	88,779X	3,184X	2,837	205	X	14.1	3 9	1.7		
Lowell	94,239X	2,780	2,620	732X		17.5	X 3 10	1.5	184	
Holyoke	50,112	4,795X	2,403	364		31.3X	X 3 11	1.4	110	
Brookline	58,886	6,044X	3,559X	106		10.9	2 12	2.1	151	
Malden	56,127	1,477	829	688X	X	14.1	2 13	0.5	117	
Newton	91,066X	2,807	2,556	187		7.8	1 14	1.5	208	
Brockton	89,040X	2,375	2,115	505		14.9	1 15	1.2	171	
Lawrence	66,915	2,932	1,962	540		20.4X	1 16	1.1	145	
Chicopee	66,676	1,827	1,218	261		20.9X	1 17	0.7	103	
Pittsfield	57,020	1,489	849	165		25.4X	1 18	0.5	81	
Chelsea	30,625	2,625	804	617	X	21.2X	1 19	0.5	72	
Arlington	53,324	1,067	569		X	8.5	1 20	0.3	90	
Medford	64,397	1,376	886			11.0	0	0.5	131	
Waltham	61,582	2,061	1,269	307		10.5	0	0.7	114	
Framingham	64,048	2,198	1,408	246		9.4	0	0.8	100	
Weymouth	54,610	584	319			8.8	0	0.2	93	

Source: LEAA Planning Staff

Total - 63.1%

matching requirements were set for various categories:

Matching Requirements
(Maximum federal share indicated)

	<u>By Act</u>	<u>As Amended</u>
Methods, devices, facilities and equipment to improve law enforcement	60%	75%
Recruiting and training of law enforcement personnel	60	75
Public education	60	75
Building construction	50	50
Organized crime	75	75
Riots and civil disorders	75	75
Community projects (police relations, neighborhood participation)	60	75

Two additional categories were added in 1970: criminal justice coordinating councils (75%) and delinquency prevention and correction (75%).

The matching provisions turned out to be relatively unimportant. In assessing the relative strengths of competing applicants, the SPA did not worry very much about the community's ability to come up with matching funds. More often than not, "in kind" contributions of goods and services were quite acceptable.

There was some talk that in fiscal year 1973, 40% of the

local matching share would be required in cash as opposed to goods and services.²² The SPA's argued that if the hard cash match provision were strictly enforced, many cities and towns would decline to participate in the LEAA program. From 1968-1971, however, a community's ability to demonstrate the availability of matching resources was not an important factor in the allocation of LEAA funds.

The shift to non-competitive funding: In 1971 the Governor's Committee allocated 59% of its block grant funds for non-competitive programs, that is, the programs designated by the state planning agency for specified purposes in particular locales. The non-competitive approach was an effort to reduce the dissipation of program funds and to encourage a greater focus on the needs of a limited number of municipalities--particularly those in urban areas where the crime rate was highest.²³ The shift to non-competitive grants might help to achieve

²²Text of Amended Statutes and Summary of Major Amendments, Law Enforcement Assistance Administration, U.S. Department of Justice, January, 1971, p. 1.

²³The Massachusetts resolution of the city-state relationship through reliance on non-competitive grants was the opposite of the approach to city funding implemented in Ohio. See Law and Disorder II, draft prepared by the Lawyers Committee for Civil Rights Under Law, Washington, D.C., September, 1972.

these two objectives. It is equally likely that the shift to non-competitive funding could reduce competition among municipalities and perhaps dampen the innovative thrust of the block grant program.²⁴

Forty-one per cent (41%) of the block grant funds allocated by the SPA in 1971 were distributed on a competitive basis. High priority program areas were listed in the annual plan and localities competed for funds under various headings. To some extent, the shift to non-competitive grants helped to pull together statewide efforts within programmatic areas. For a while it was possible for individual localities to buy into state programs (in areas such as drug control or juvenile diversion) but to still work independently of other communities concerned with the same issues. Under the non-competitive approach, only designated cities and towns were eligible for funds, and eligibility was contingent upon greater planning and control at the state level.

²⁴This, of course, assumes that municipalities are willing to accept the fact that they are competing for limited resources and that such competition is likely to yield better or more innovative project proposals. Although it is hard to judge whether or not this is true, local criminal justice planners have acknowledged that they feel obliged to come up with a new wrinkle or a new twist every time they submit a proposal.

Testing the relative importance of various explanatory factors: Besides the six factors that the Governor's Committee claims to have taken into account in allocating LEAA money (crime rate, population, the innovative character of project proposals, technical feasibility, staff estimates of local skills and resources, previous level of LEAA funding), two other variables are often mentioned by partisan observers: party politics and influence with the governor's committee. The relative importance of each of the eight explanatory factors is discussed below.

- (1) Crime rate: The 1969-1970 Comprehensive Criminal Justice Plan for Massachusetts stated that the Governor's Committee was unanimous in the view that the main goal of the program was to reduce crime. (By 1971 the emphasis had switched to the more achievable yet difficult goal of "developing an institutional capability for reform within the criminal justice agencies of the state.") As it turns out, crime rate is not a very good explainer of grant allocation patterns.²⁵ Cities and towns with high crime rates such as Brookline, Lynn, Holyoke, Revere, Fall River, and West Springfield received very

²⁵ Regression analysis indicates that crime rate is a poor explainer of the variation in LEAA funding levels. For cities of 50,000 to 100,000 (N=17) crime rate explained only 28% of the variation in LEAA expenditures (R-squared equals + .28). For cities of 25,000 to 50,000, R-squared equaled +.31. For cities of more than 100,000 only 5% of

little LEAA money--an average of less than \$1.30 per capita from 1969-1971 (see Table XI). Something other than the crime rate must have accounted for the success that various cities and towns had in securing LEAA funds from the state.

- (2) Population: Population is almost perfectly correlated with the level of LEAA funding received during the period of 1969-1971.²⁶ It is important to note that crime rate and population are surprisingly independent.²⁷ Following is a breakdown of crime rates in the twelve largest cities in Massachusetts:

<u>City or Town</u>	<u>1970 Population</u>	<u>Offenses</u>		<u>Ranked by Crime Rate</u>
		<u>Number</u>	<u>Rate</u>	
Boston	641,071	35,397	563.5	3rd
Worcester	176,572	9,932	567.1	2nd
Springfield	163,905	7,367	454.5	5th
New Bedford	101,777	4,520	446.4	6th
Cambridge	100,361	6,175	624.1	1st
Fall River	96,898	3,324	347.4	10th
Lowell	94,239	2,156	232.0	21st
Newton	91,203	1,986	217.8	24th
Lynn	90,294	3,867	440.3	7th
Brockton	89,040	2,586	295.7	16th
Quincy	87,966	2,868	325.3	12th
Somerville	85,779	2,223	255.4	18th

the variation in LEAA expenditures was accounted for by crime rate. For all cities and towns over 25,000 (N=52) crime rate explained less than 1% of the variation in LEAA allocations. When Boston was removed from the sample, R-squared was still only +.18. In all cases the t-statistic was high enough to be significant.

²⁶Regression analysis indicates that population is an excellent explainer of LEAA funding levels from 1969-1971. For cities of more than 100,000 (N=5) population explained 95% of the variation in LEAA funding. For cities and towns in Massachusetts over 25,000 (N=52) R-squared equaled +.95. When Boston was removed from the sample, population still explained more than 65% of the variation in LEAA allocations to cities and towns (which was significant given a t-statistic of 9.83).

²⁷The correlation between crime rate and population for cities and towns with more than 25,000 people was only +0.18. When Boston was

Table XI

LEAA BLOCK GRANT AWARDS RELATIVE TO CRIME RATE

(1969-1971 Totals)

<u>City or Town</u>	<u>Offenses</u>		<u>Population</u>	<u>Total Award</u>	<u>Per Capita</u>
	<u>Number</u>	<u>Rate/ 10,000</u>			
Cambridge	7,563	753.6	100,361	\$578,210	\$5.76
Worcester	11,396	645.4	176,572	606,692	3.44
Brookline	3,559	604.4	58,689	155,310	2.64
Boston	38,294	597.3	641,071	3,533,769	5.50
West Springfield	1,423	500.1	28,461	0	0
Holyoke	2,403	479.5	50,112	51,359	1.02
Springfield	7,834	478.0	163,905	337,852	2.06
Lynn	4,288	474.9	90,294	245,742	2.70
Fall River	4,570	471.6	96,898	12,000	.12
New Bedford	4,657	457.6	101,777	592,814	5.82
Revere	1,699	394.2	43,159	44,900	1.04
Quincy	3,350	380.8	87,779	233,279	2.65

The fact that population or city size turned out to be the best explainer of LEAA allocation patterns may not seem terribly surprising,²⁸ but the significance of this finding will become more apparent as the hidden incentives and controls affecting decision making in state government are explored in greater detail in later chapters.

- (3) The innovative character of project proposals: This is a difficult variable to measure. Since the state sets annual budgetary priorities, cities and towns are restricted to submitting grants for a relatively small number of purposes. Moreover, the funding cycle is such that grant applications must be prepared rather quickly each year. Since local matching contributions need to be approved by the chief executive and in some cases by the city council, grant applications cannot be too controversial. Extremely complicated or controversial proposals will bog down in the local political system. Although it is desirable to take several months (perhaps even years) to prepare a grant application, this

removed from the sample (N=52) the correlation coefficient was still only +.17.

²⁸Michael Aiken and Robert Alford have suggested that larger cities are more likely to come up with innovative grant proposals and tend to receive a somewhat larger share of federal dollars available for community programs (in this case, urban renewal). Michael Aiken and Robert Alford, "Community Structure and Innovation: The Case of Urban Renewal," American Sociological Review, August, 1970, Vol. 35, No. 4, pp. 650-664.

is not feasible. The rapid turnover of administrative staff at the state level and the constant shifting of annual budgetary priorities means that applications prepared in response to out-of-date signs and cues are likely to have few if any advocates at the state level.

Most innovative proposals have been the work of skilled criminal justice professionals operating at the municipal level. In most cases, smaller communities have not had the funds (LEAA planning grants and agency development funds have been limited to larger cities) to hire skilled grantsmen, or federal grant coordinators, as they are euphemistically called. For these reasons, innovative project proposals have come mostly from the larger cities. Since there is no easy way of measuring innovation, however, it is difficult to prove that this has in fact been the case.

- (4) Technical feasibility: This factor has to be viewed in much the same way as the innovative character of grant proposals. A series of technical advisory subcommittees were set up by the Governor's Committee. These sub-committees were asked to evaluate project proposals. In most cases, the technical review committees rubber stamped recommendations made by the SPA staff. In a few instances, though, the technical advisory committees raised certain questions about the viability of proposed projects. On occasion they even demanded reductions in the initial level of project funding. In most cases, though,

if an SPA staff member assigned to a particular city or agency indicated that a proposed project seemed politically feasible, its technical feasibility was taken for granted.

- (5) Estimates of local skills and resources: These have been sketchy at best. Some informal measures of local planning and managerial capability have been developed as cities and towns have come back for a second and third helping of LEAA money. The ability to meet matching requirements is one measure of local resources, but this has been relatively unimportant since in kind contributions of all sorts have been acceptable. Insofar as willingness to accept responsibility for increasing program support is concerned, there has been almost no way of gauging a locality's intentions. Moreover, the Governor's committee has been anxious to hold on to successful projects in order to maintain its credibility and to enhance its own track record. Approximately 50 of the 63 grants awarded in 1972 were continuing grants; in 1972 between 60 and 70% of the total funds of the agency were tied up in ongoing projects.

For the most part, the Governor's Committee has been concerned only that communities requesting assistance show enough capability to give a proposed project a fighting chance. Assessments of overall community resources and long-term willingness to share the burden of a particular project have either been ignored or have been too difficult to estimate.

- (6) Previous level of LEAA funding: This factor seems to have had at least an indirect bearing on a community's chances of receiving a new LEAA grant. If nothing else, past success implies an ability to negotiate the grant getting system. Of course, if a first award is spent with little or no success, the chances of renewed funding are somewhat diminished. It is not particularly difficult to show, though, why an earlier grant failed for reasons that could not possibly have been anticipated or why a new grant would make particularly good sense in light of what has been learned from previous mistakes. For the largest cities, prior level of LEAA funding has been an excellent indicator of the chances of receiving additional allocations, but this has been true only because the Governor's Committee settled in late 1970 on a non-competitive grant approach catering to the needs of a few large cities. Smaller communities (especially those with populations under 20,000) that received awards in 1970 were not likely to receive awards again given the change in philosophy at the state level. Thus, for small municipalities, previous level of LEAA funding has tended to be a very poor predictor of the chances of obtaining additional LEAA funds.
- (7) Party politics: Indeed, party politics may have something to do with whether or not a particular grant application has succeeded or failed, but it is not at all apparent whose politics ought to be taken into account and

what in fact is meant in the first place by party politics. The basic organization of the Governor's Committee provides a neutralizing set of political checks and balances. At the community level, it is not clear whose politics would make a difference. Possibly overall party registration in a given city or town might be taken as a measure of the town's politics, but almost all of Massachusetts is Democratic in these terms. Grants made as payoffs to local officials or loyal party workers have been difficult, if not impossible, to discern--primarily because it is not clear who benefits politically at either the granting or the receiving end. In all likelihood, various competing political forces at the top (the Governor, the Attorney General, members of the state legislature) and at the bottom (the mayor, the city council, selected segments of the local population) all benefit politically when grants are awarded. This is true even though extremely controversial projects (half-way houses, drug treatment centers, legal aid programs, etc.) have in certain instances proven to be political liabilities. Although the basic precepts of partisan politics are tantalizingly simple, a close reading of the LEAA program suggests that what is commonly referred to as party politics has been a relatively obscure if not unimportant factor in determining LEAA grant allocations in Massachusetts.

- (8) Influence with the Governor's Committee: Those who think along conspiratorial lines may be able to find some evidence to support their

suppositions; if they do, though, they are very likely to be missing the point. There are at least two reasons why membership on the Committee is not a significant explainer of grant allocation decisions. First, most members of the Governor's Committee have not played an important role in allocating LEAA funds. Only the Proposal Review Board (a select group of eight committee members) actually vote on specific grants. The staff of the Governor's Committee invariably has its way regardless of what most Committee members think. Only in rare instances has a member of the Proposal Review Board been able to gather the information necessary to counteract a staff recommendation. Committee members have tried to use their personal influence with the Executive Director or the Attorney General (who serves as head of the Proposal Review Board) to block certain projects, but once a proposal has received staff endorsement, technical advisory committee approval, and the support of the Attorney General, it is almost impossible for a committee member to turn the outcome around.

This is not to say that influence with the Committee or the membership of the Proposal Review Board has no bearing on the allocation of LEAA funds. Quite the contrary: the priorities expressed in the Annual State Plan clearly reflect the make-up of the Committee.²⁹ Never-

²⁹ The make-up of the Committee is discussed at length later in this chapter. Suffice it to say, that the nine District Attorneys on the

theless, interviews with Committee members suggest that they rarely find themselves in a position to make a difference on a particular grant application. Most committee members hold full-time jobs and are unable to devote enough time to reviewing grant proposals (which often reach them only shortly before committee meetings). There is even some indication that Committee members have withdrawn from deliberations concerning proposals in which they have had a partisan interest.

One other interpretation of the membership factor is important. It appears that membership on the Governor's Committee can help to increase the flow of information to selected localities concerning budgetary priorities for a given year. In addition, the speed and extent to which SPA staff members respond to city or agency requests for assistance is also related to their representation on the Committee. This point is discussed further in Chapter V. Nevertheless, even if there is some correlation between community representation on the Governor's Committee and success in obtaining grants, the direct explanatory power of the membership variable is extremely weak.³⁰

Committee have been very concerned with efforts to reform the court system, and the four police chiefs have been interested in seeing to it that police operations receive a fair share of the funds.

³⁰In 1969 the list of Governor's Committee members included representatives from the following cities and towns: Newton, Winchester, Fall River, Boston, Somerville, New Bedford, and Worcester. In 1970, representatives were added from Springfield, Lowell, Malden, and Cambridge. Fall River, Somerville, and Malden have not received even an average

Summary: If it were possible to develop quantitative measures of the innovative character of grant proposals, their technical feasibility, or the strength of party affiliations, it might be worth testing the explanatory power of these and other factors more systematically. However, given the softer nature of most of these variables, the available statistical techniques such as multiple regression, correlation and factor analysis are not strong enough to sort out their relative importance.

To sum up, impressions gleaned from discussions with state and local officials suggest that proposals submitted by large, crime-ridden cities between 1969 and 1971 were most likely to be successful. Once a large city received an award, its chances for continued support were excellent. Active representation on the Proposal Review Board did not enhance the chances of success except insofar as the flow of information regarding annual state funding priorities was likely to be helpful. If a community did not submit a proposal, it had no chance of

share of LEAA money over the past few years, while the success that Boston, Cambridge, New Bedford and Worcester have had in attracting LEAA funds has undoubtedly been the result of the large-city strategy adopted by the Governor's Committee as a whole and not the result of unusually cagey representation on the part of certain Committee members.

receiving funds. Where proposals were not minimally acceptable (let alone innovative) there was very little chance that even a great deal of support from a sympathetic staff member on the Governor's Committee could make a difference. In short, between 1969 and 1971 it was practically impossible to obtain a grant without SPA staff endorsement.

Population (or city size) seems to be the best explainer of the pattern of grant allocations in Massachusetts-- probably because of its high correlation with local professional staff capability. To the extent that crime rate correlates with city size, it too must be taken into account, but because it is not directly correlated with city size, it is a somewhat less important explanatory factor than might otherwise be expected.

The pattern of grant allocations is only half the story. The various factors that account for the failure of the LEAA program to encourage significant institutional reform in the criminal justice system deserve even more attention.

The Organization and Membership of the Governor's
Committee

On March 9, 1966 the President of the United States urged the fifty state governors to establish state planning committees on law enforcement.³¹ On March 10, 1966 the U.S. Attorney General notified the governors that federal funds were available under the National Law Enforcement Assistance Act of 1965 to aid in the establishment of state law enforcement committees. On September 28, 1966, Massachusetts Governor John Volpe created (by executive order) a Public Safety Committee.

More than a year later, the state legislature enacted legislation creating the Committee on Law Enforcement

³¹ A letter dated May 10, 1966 from James Vorenberg to Elliot Richardson outlined what was going on. Vorenberg, who was a member of the President's Commission on Law Enforcement and Administration of Justice, wrote:

"I have had in the back of my mind that Massachusetts might become something of a model of what might be done in this area. I recommend that the Governor appoint a small committee of the sort suggested in the Attorney General's letter and use the Public Safety Committee as a sounding board. As I told you, our [The President's Commission] first goal--is to get certain kinds of information which would be helpful to the President's National Commission. The second and more important purpose is to try to create, in as many states as possible, planning groups which are looking at their own system of criminal administration and developing projects which will lead to change."

and Administration of Criminal Justice.³² Technically the two committees were separate entities, but functionally they acted as one. The ex officio members of the two committees are identical, but the Governor's Public Safety Committee (established by Executive Order) provides for eighteen appointive members serving one-year terms while the Committee on Law Enforcement and Administration of Criminal Justice (established by law) provides for only six appointive members who serve four-year terms.

³²The Committee had no permanent status so Volpe submitted a bill (H4367). On February 8, 1967, H4367 was declared an emergency law by the Executive. The committee as established was composed of the Attorney General, nine district attorneys, and the Commissioners of Public Safety, Corrections, the MDC, and the Chairmen of the Youth Services Board and the Parole Board along with the Boston Police Commissioner and four gubernatorial appointees. The committee was required to meet at least four times a year. On April 24, 1967, a staff consisting of Executive Director Sheldon Krantz, two research assistants, an administrative assistant and two secretaries was hired. In May of 1967, the Committee appointed an advisory committee on planning, implementation and research chaired by Professor James Vorenberg.

July 10, 1967, H5021 was reported out of the House Ways and Means Committee. Changes were made: instead of four gubernatorial appointees, the President of the Senate, the Speaker of the House, the Minority leaders of the Senate and the House, and six members appointed by the Governor were to be included on the Committee. The six appointees were to include one representative of the superior court, one representative of the district court, and four members of city or town police departments. The duties remained the same except that the charge to study organized crime was deleted. Later in 1967, when the bill was finally reported out, the composition of the committee changed again.

The duties of the Committee established by the legislature were confined primarily to studies and information dissemination. The law did not provide for staff support. The duties of the Committee established by executive order encompassed not only the study and information dissemination functions, but other responsibilities as well.³³ It was empowered to advise the Governor; develop and revise law enforcement plans; design and conduct programs to reduce crime; provide technical assistance to regional and local units of government; and to make grants and administer grant programs.³⁴ In addition, the order provided for technical advisory committees and for a Proposal Review Board comprised of nine committee members.³⁵

There were discrepancies between the functions defined legislatively and the responsibilities outlined by the various executive orders. State funds have been appropri-

³³Report of the Examination of the Accounts of the Committee on Law Enforcement and Administration of Criminal Justice from April 13, 1970 to May 10, 1971. No. 71-S-186, prepared by Thaddeus Buczko, State Auditor, p. 8.

³⁴Unlike most other state planning agencies, the Governor's Committee was given the power to conduct projects of its own.

³⁵Executive Order No. 60, July 25, 1968, as amended by Executive Order Nos. 61, 62, and 70.

ated under the title Governor's Public Safety Committee (the agency created by executive order), but the agency has used the title, Committee on Law Enforcement and Administration of Criminal Justice, because it seems to be more descriptive of the Committee's action functions.

Committee Membership: In 1972, the Governor's Committee had 34 members, 21 of whom represented different branches of the criminal justice system. Three members were black and one Puerto Rican. Only three members represented local community agencies or citizens' organizations.

Members of the Committee on Law Enforcement and
Administration of Criminal Justice as of
September 1, 1972

Ex Officio:

Robert Quinn, Chairman	Attorney General or designee
Robert L. Anderson	District Attorney, Plymouth
William T. Buckley	District Attorney, Middlesex
George G. Burke	District Attorney, Norfolk
John P. S. Burke	District Attorney, Eastern
Garrett H. Byrne	District Attorney, Suffolk
Philip Rollins	District Attorney, Southern
John J. Droney	District Attorney, Northern
John Callahan	District Attorney, Northwestern
Matthew J. Ryan	District Attorney, Western
John Kehoe	Commissioner of Public Safety
C. Eliot Sands	Commissioner of Probation
John Boone	Commissioner of Correction
Martin Davis	Chairman of the Parole Board
Jerome Miller	Director of the Department of Youth Services
John W. Sears	Commissioner, Metropolitan District Commission
William Taylor	Acting Police Commissioner, Boston

Appointed by the Governor:

Paul Doherty	Chief, Capital Police State House
Richard Levine	Lawyer, Hale and Dorr, Boston
James Vorenberg	Professor, Harvard Law School
James O'Leary	Lieutenant, Cambridge Police Department
Robert Liddy	President, Mass. Police Association
Francis X. Finn	Chief, Quincy Police Dept.

Governor's Public Safety Committee

The ex officio members of the Committee on Law Enforcement and Administration of Criminal Justice serve on the Public Safety Committee as well along with an additional eighteen members appointed by the Governor to serve one-year terms.

In 1972 appointed members included:

Edward Barshak	Chairman, Mass. Defenders Comm.
Paul K. Connolly	Justice, Superior Court
Paul Doherty	Chief, Capital Police, State House
Francis Finn	Chief, Quincy Police Dept.
Livingston Hall	Professor, Harvard Law School
Charles Hedges	Sheriff, Norfolk County
Gwendolyn Jefferson	Program Director, Roxbury-North Dorchester Area Planning Action Council, Boston
Walter J. Kelliher	Mayor, Malden
Richard Levine	Lawyer, Hale and Dorr, Boston
Robert Liddy	President, Mass. Police Association
Francis J. McGrath	City Manager, Worcester
H. Bernard Monahan	Selectman, Rockland
Robert Mulford	Secretary, Children's Protective Services
James O'Leary	Lieutenant, Cambridge Police Dept.
Alex Rodriguez	United Community Services

Donald Taylor	Executive Director, South End Neighborhood Area Program, Boston
James Vorenberg	Professor, Harvard Law School

The legislation gave primary authority to a nine-member Proposal Review Board chaired by the Attorney General and operated as an Executive Committee with final say on all grant proposals.

In 1971 the Attorney General grouped Committee members into six task forces with responsibility for guiding the efforts of the SPA staff.³⁶ In a few instances task forces met separately to discuss priorities for the annual state plan, but in most cases staff members contacted Committee members individually. Based on such meetings, the Committee staff tried to identify the major criminal justice needs and problems in Massachusetts and to suggest operational goals to guide grant allocations.

³⁶The task forces were organized as follows: police--Kelliher, Kehoe, Levine, Doherty, Sears, Liddy, McGrath, Monahan, O'Leary, and W. Taylor; courts, prosecution and defense--Vorenberg, Sands, Droney, Byrne, J. Burke, Callahan, Connolly, Hall, Ryan, Buckley, Rollins, Anderson, G. Burke; corrections--Boone, Hedges, Sands, Davis, Jefferson, Rodriguez; juvenile delinquency--Mulford, Rodriguez, Miller, Sands, Jefferson, Connolly; drugs/alcohol--Kelliher, Hedges, Callahan, J. Burke, Miller, D. Taylor, Levine; engineering--Sands, Kehoe, Levine, and W. Taylor.

Annual plans referred mostly to projects begun in previous years. With well over two hundred grants, the task of checking budget needs against quarterly reports and ongoing staff evaluations was indeed burdensome. Various state agencies with representatives on the Governor's Committee tried to use the LEAA program and the annual state plan to help underscore their own efforts to meet emerging state criminal justice needs. They also tried to pry loose LEAA funds to cover the costs of reorganizing old line agencies (such as the Department of Youth Services) or redirecting agency activities (as in the case of the Department of Corrections, which was attempting to shift from a punitive to a more of a rehabilitative community-based philosophy of corrections).

In 1971 the District Attorneys organized as a voting block. Although the Attorney General (as head of the Proposal Review Board) dominated the Committee, the DA's gained some degree of power. The police chiefs on the board, perhaps because they were jealous of each other, were unable to get together. The DA's were accustomed to meeting as a group, and knew how to present a solid front when dealing with the Committee staff. In 1970, for example, they wanted surveillance equipment and funds for a training program. The staff rejected the proposal

as did the technical advisory committee that reviewed it. The staff objected because certain constitutional safeguards were lacking. Moreover, the proposed project was similar to one that the Attorney General's office already had in operation. The DA's made no attempt to deal with the substantive objections to their project; they simply tried to outvote everyone else. A similar tactic was used in wangling support for the District Court Prosecutors Program.³⁷ The Committee staff wanted to set up professional prosecutorial boards funded on the basis of need (for example, based on the number of cases before the court in any district). Preliminary efforts along these lines were not successful. The prosecutors were not called upon to try very many cases, and in general the program did little more than provide well-paid jobs for an expanded number of assistant district attorneys. The DA's, however, pressed for a package deal. They wanted district court prosecutors hired in all districts and they wanted a flat grant of \$1,000,000 to support the

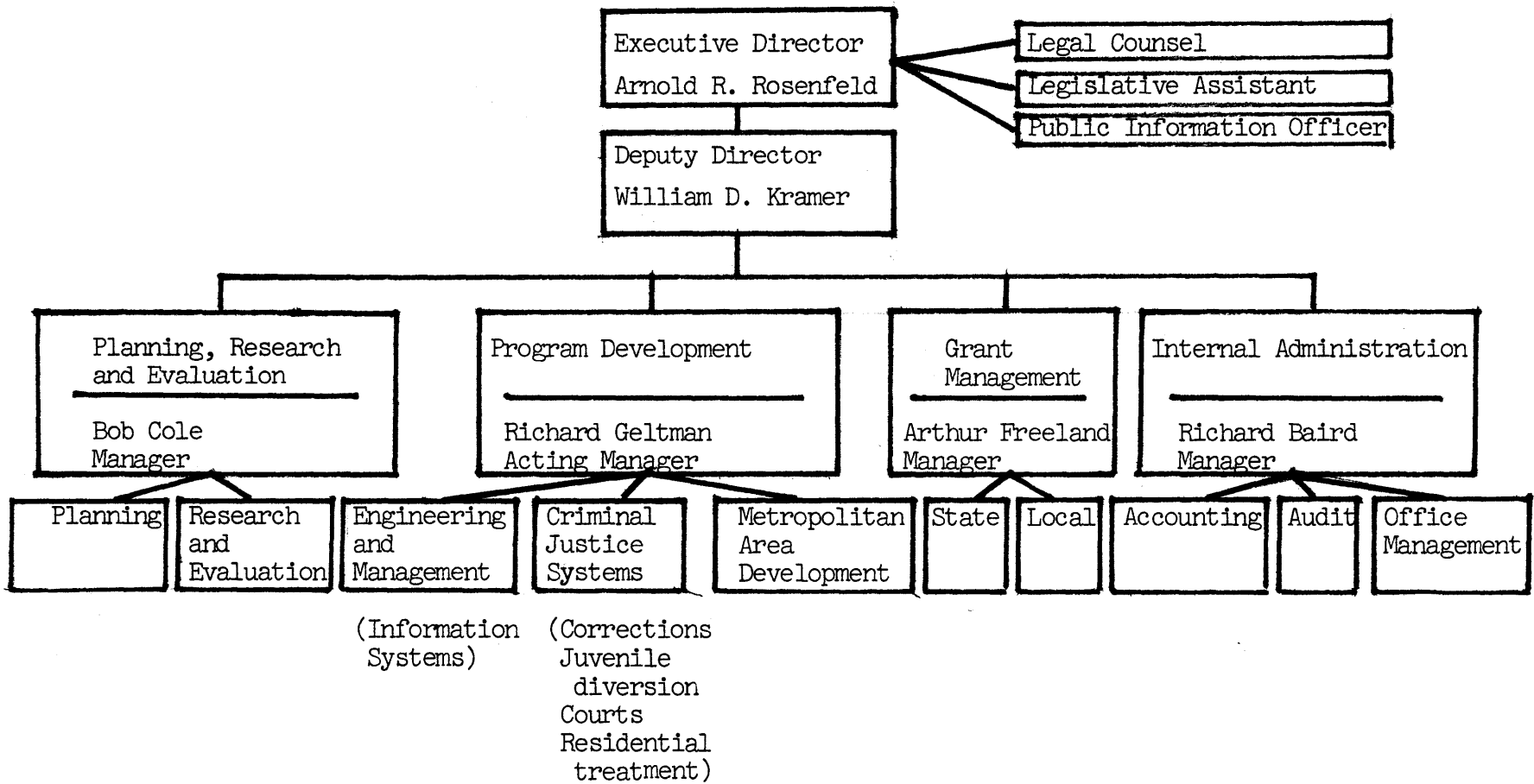
³⁷The District Court Prosecutors Program was designed to replace police prosecutors with professional prosecutors (the 1969-1971 award was \$351,500; the 1972 allocation was \$951,000). The project enabled District Attorneys' offices to initiate or continue programs involving assistant DA's and student prosecutors in district courts. The pre-existing police prosecutor system had over 200 legally untrained police officers prosecuting criminal cases in the 73 district courts of the Commonwealth.

program. They opposed all efforts to relate funding levels to measures of need. The DA's went so far as to hire a lobbyist to represent their interests in this area.³⁸

The staff: By 1972, the Governor's Committee had built up a staff of 71 members organized into four working divisions: Planning, Research and Evaluation; Program Development; Grant Management; and Internal Administration. (See Figure I). Program management groups were assigned to work directly with state agencies and city officials. A special metropolitan area development group was set up to visit target cities on a more or less regular basis and to assist potential grantees in the preparation of criminal justice plans. In 1972, key staff

³⁸The lobbyist began his work for the DA's by making a national survey of what LEAA was doing on behalf of DA's in 16 states--the results of his survey showed that Massachusetts DA's "came in last." He took his survey to the Governor's Committee staff and to the Attorney General. About \$950,000 was set aside for a district court prosecutors program. During the task force review of the project all nine district attorneys showed up. There was no dissent. The DA's organized around the project; they were sure that they could easily sway the committee; in addition they were confident that they could show a need for the project. There was a great deal of opposition to the program from the Massachusetts Police Association. Obviously the prosecutors program challenged the status of those police officers who had been representing the Commonwealth in criminal cases (an unauthorized practice of the law) and created new opportunities for lawyers, not policemen.

Figure I
 Governor's Committee on Law Enforcement
 August 27, 1971



members included Arnold Rosenfeld (formerly deputy assistant attorney general); William Kramer, Deputy Director; Richard Baird, Manager-Internal Administration; and Richard Geltman, Acting Manager-Program Development.

The staff influenced the funding process in a number of ways: by its efforts to solicit grants from target cities; by suggesting modifications in grant requests (aimed at enhancing their fit with overall Committee priorities); by its evaluation of project proposals; and through the design of the annual Comprehensive Criminal Justice Plan.³⁹ Staff members were assigned by functional specialization or by geographic area. They were expected to collect, modify, and improve proposals from local governments and state agencies, and to advocate particular proposals before staff subcommittees. There was some competition among staff members anxious to have their proposals do well. Staff biases worked in favor of concise, well written, and well argued proposals designed to appeal to professional norms and which stressed

³⁹Mark H. Moore and William Greenberg, "An In-Process Evaluation of the Omnibus Crime Control Act in Massachusetts," February 22, 1971, p. 35, Kennedy School of Public Administration, Harvard University. N.B.: Although the Moore-Greenberg study is outdated, the confidential interviews that they cite are used here to back up first-hand impressions.

innovation.⁴⁰ In general, the staff (made up primarily of lawyers) is characterized as "young, idealistic, and perhaps too talented." Not surprisingly from 1969-1971 the turnover was high; moreover the staff adopted the attitude that no one in the office knew more than anyone else about the best way of doing things. This contributed to the somewhat chaotic climate and to the high level of individual initiative that characterized staff operations.

The technical advisory committees: Seven technical advisory committees were set up in the areas of administration of justice, citizen participation and education, corrections, organized crime, police, juvenile delinquency, and science and technology. These panels were composed of experts not already members of the Governor's Committee. They were invited to comment on proposals falling within their respective areas of competence. Prior to technical review, the Committee staff examined all proposals and prepared its own recommendations. In most instances the advisory committees were unprepared to react to these rather lengthy staff reviews. More often than not, the panels rubber stamped staff recommendations, thereby adding further endorsement to staff recommendations that reached the proposal review board. Rarely did advisory

⁴⁰ Ibid., p. 39.

committees try to overrule the staff. On two occasions when they did try, the proposal review board reversed the technical advisory committees and went along with the original staff recommendations.⁴¹

The proposal review board: The proposal review board has the final word on all grant awards. The Attorney General sets the agenda and calls the shots.⁴² Descriptions of review board sessions offered by members of the Committee suggest that most decisions are made prior to official meetings. The proposal review board basically serves to ratify decisions. In the meetings, the Executive Director usually gives a presentation, commenting on each agenda item and reviewing the recommendations made by the staff and the technical advisory committees. On occasion, Committee members have tried to attach conditions to certain grant awards, but in general, they have had neither the time nor the expertise to comb through staff

⁴¹Moore and Greenberg report that of the 79 decisions made relative to grant awards as of January 1971 the technical advisory committee rejected staff recommendations only twice.

⁴²Executive Order #70 stated that the membership of the Proposal Review Board was to include the Attorney General and eight persons designated for one-year terms by the Governor. The Board is chaired by the Attorney General and is directed to meet at the call of its chairman as may be necessary to conduct its business.

reports prior to board meetings, let alone to prepare alternative recommendations. At best they have been able to concentrate on a handful of proposals dealing with subjects about which they happen to know a little bit or in which they are most interested. Even in such cases, though, the most they have been able to do is raise questions.

The Committee's relationships with the Governor's Office:

The Governor has chosen not to exercise any influence over the day-to-day workings of the Committee or the staff. Accordingly, the staff has a good working relationship with the Governor's office. The Governor's liaison with the Committee reports that the staff has been very cooperative in setting aside money for work in the area of corrections (in which the Governor has had a special interest--security units for prisons, state/county correctional facility leasing program, etc.), and supporting the reorganization of the state Department of Youth Services.

During the 1969-1971 period the Governor's office turned more and more to the Committee staff for legislative assistance. This coincided to some extent with the Governor's newfound interest in the problems of law

enforcement and criminal justice. The staff, for example, helped to draft the judicial reform package that the Governor submitted to the legislature. One of the major elements of that package--the elimination of the bail-bondsmen--was an outgrowth of two LEAA-supported projects. During the hearings, the staff worked closely with the Governor's office.

The Governor and the Attorney General have not had cause to disagree (at least publicly) on the direction that the LEAA program has taken in Massachusetts. There is some feeling, though, that if the Attorney General decided to run for governor, the LEAA program might become something of a political football with the Attorney General and the Governor vying for whatever kudos accrue to the distributor of LEAA funds in the Commonwealth.

The Committee's relationship with the Attorney General:

If the criminal justice system is more politicized in Massachusetts than in some other states it probably has something to do with the way in which the Attorney General goes about his business. The Attorney General has a staff assistant serving as his special liaison to the Governor's Committee. Committee staff members have suggested that three considerations are uppermost in the Attorney General's

mind when grants have come before the proposal review board. First, will the proposed project favorably influence the Attorney General's personal power base. Second, will law enforcement efforts in the Commonwealth be enhanced (would a project make it easier to do the job that needs to be done). And third, will the proposed project be technically feasible. Legislative interference in the operations of the Governor's Committee has been kept to a minimum. A Republican Governor and a Democratic Attorney General seem to balance each other out.

Interface with the Washington and Regional LEAA Offices:

In 1972 the Justice Department completed a reorganization of its regional offices. New York, New Jersey, Puerto Rico, and the Virgin Islands became part of a separate region. They were previously part of the Boston regional office. The new staff included Raymond Bowles, former majority leader of the New Hampshire state legislature, and William F. Powers, former Massachusetts Commissioner of Public Safety as chief regional LEAA administrators. The shuffling of the regional office followed closely an overall reorganization of the Law Enforcement Assistance Administration in Washington. More than anything else the reorganization was designed to fend off some of the flak that resulted from public disclosure of fiscal misman-

agement of LEAA funds at the state level.⁴³

According to the legislation, the Washington LEAA office was supposed to approve annual state plans. The regional office was supposed to evaluate and approve the Massachusetts plan in conjunction with the Washington office. The regional office was responsible for determining whether or not all the provisions of the plan were within the scope of the Act, and whether or not the plan was truly comprehensive. In practice, the evaluations were superficial and inconsistent--necessarily so, given the large number of plans considered by the federal government each year and the ambiguity of the goals of the LEAA program.⁴⁴

In 1970 the Massachusetts Annual Criminal Justice Plan was nearly rejected. The Washington Office felt that there was not enough attention given to quantifying objectives and specifying how far each program would go. The regional office, on the other hand, objected to the overly precise specification of projects and the small size of

⁴³ LEAA Newsletter, Volume 1, No. 10, July 1971, p. 5. See also Hearings before a Subcommittee of the Committee on Government Operations, House of Representatives, Ninety-second Congress, first session, The Block Grant Programs of the Law Enforcement Assistance Administration (Part I).

⁴⁴ Moore and Greenberg, op. cit., p. 45.

the grants described in the plan. Thus, one arm of the federal government complained about too much specificity, and the other about insufficient specificity.⁴⁵

Although Washington and the regional office retained some power over the distribution of LEAA funds in Massachusetts they did not exercise this power in any consistent or obvious way. Neither the power to review and approve state plans nor the power to allocate discretionary monies apart from block grants gave the Department of Justice much control over the use of LEAA funds in Massachusetts.

The Committee's relationship with the Massachusetts State legislature: From 1969-1971 the state legislature kept pretty much out of the affairs of the Governor's Committee --allowing the Governor and the Attorney General to run things their own way. The Secretary of the State's Joint Committee on Federal Financial Assistance indicated that to the best of his knowledge most of the LEAA money in the state was being used "for administration, a little for radios and police cars, but mostly for administration." Several legislators attended an LEAA-sponsored conference

⁴⁵Ibid.

for state officials in February of 1971, but those attending got little if anything out of it. State Senator Chet Atkins suggested that the only purpose of the Conference was to convince the state legislature to put up the money to continue various LEAA-initiated efforts. Several legislators indicated that there was no reason to get involved in the LEAA program until their constituents pressed them for assistance. Since the public-at-large was almost totally ignorant of the LEAA program there was not very much chance of that happening. For the most part even those members of the General Court involved in criminal justice-related activities were blind to the strengths and weakness of the LEAA program in Massachusetts.⁴⁶ On occasion a member of the legislature has

⁴⁶The only consistent exception was Democratic State Senator Chester Atkins of Acton. Atkins accused the Sargent administration of "reckless mismanagement" of LEAA funds and charged that the Republican governor had "squandered hundreds of thousands of dollars" in order to create "a new state bureaucracy"--in 1972, spending \$600,000 deciding how to allocate \$13 million. Atkins also charged that increasing staff costs had siphoned off money that should have been going to cities and towns to help them curb crime. He also criticized the Governor's Committee for making the application process so complex "that those agencies most in need of funds were unable to compete successfully with larger agencies top-heavy with bureaucratic assistance." Boston Herald Traveler, September 2, 1972. Whatever his political motives, Atkins was the only member of the state legislature who took the trouble to find out about the LEAA program and to raise questions about the basic assumptions underlying the distribution of LEAA money in the state.

suggested to the Attorney General that legislators be added to the Governor's Committee. Nothing has come of such requests.

The LEAA program has been insulated from legislative scrutiny partly as a result of the low level of state matching funds required by law. Most matching funds have come in the form of in-kind contributions, and the state's share has not been allocated through the normal state appropriations process. Most legislators are not aware that annual state expenditures for the Governor's Public Safety Committee serve to maintain the staff of the state planning agency that in turn allocates millions of dollars a year to cities and towns in Massachusetts.

Relationships with big cities--the MAD Squad: The Governor's Committee staff was worried because its program development efforts overlapped similar efforts underway in several cities. The critical question was when to involve local planning staffs and how to build up local planning capabilities. With the move to non-competitive grants and the thrust toward major cities, the staff attempted to build stronger ties with city planning agencies and mayors' offices. A Metropolitan Area Development Squad was assigned to make field visits to various cities and towns

(usually taking a few days and involving discussions with several dozen community officials including police chiefs, DA's, judges, juvenile officers, and community action groups). A series of strategy drafts was prepared in an effort to determine whether or not particular cities were interested in the concepts or ideas which the MAD Squad was trying to sell and whether the city was willing to accept the priorities indicated in the state plan. The MAD Squad's first approach was through local city planning departments, but they quickly changed direction. They found that most local planning departments were concerned primarily with physical planning, that they had no skill or expertise in the criminal justice area, that it was too easy for criminal justice planning money to get caught up in other city planning projects, and that local city planners for the most part had little credibility in their own communities. The MAD Squad attempted to promote separate planning activities under the direct supervision of the mayor. In 1970-71, their focus shifted exclusively to strengthening criminal justice planning capabilities in high-priority cities such as Boston, Cambridge, New Bedford, Springfield, Fall River, Worcester, and Lynn.

Summary: The organization and membership of the Governor's Committee has had a definite impact on the distribution of

LEAA funds in Massachusetts and has contributed to many of the problems of institutionalizing systematic reforms in the criminal justice system. The relationship between the Governor and the Attorney General which evolved out of the close personal ties between Volpe and Richardson created an interesting situation. The Governor (who holds all appointive powers) and the Attorney General (who heads the proposal review board) keep a careful eye on each other and on the operation of the LEAA program. The membership of the Governor's Committee, with its heavy weighting toward district attorneys and other criminal justice professionals and its minimal representation of community groups, accounts for the overall priorities enunciated in the annual state plan. The staff (in consultation with the Attorney General) is more or less able to determine which projects will receive funding. The sheer number of grant requests considered annually (just under 100 grant requests in 1969 were reviewed in six meetings, and just under 90 in 1970 in about four meetings) does not allow Committee members sufficient time to evaluate proposals.⁴⁷ The staff, however, has the time to prepare a complete dossier on each prospective grantee. For the most part staff evaluations are the key to funding decisions.

⁴⁷Moore and Greenberg, op. cit., p. 34.

The technical advisory committees have been relatively unimportant. The state legislature has been totally divorced from the funding process. Most legislators have stayed at arm's length because they have not been pressed into action by their local constituencies. The Proposal Review Board has been the mechanism through which the Attorney General has exercised primary control over the granting process; although, with the move toward non-competitive funding and the relative increase in the importance of priorities laid down in the annual state plan, Committee members have been able to exercise a greater degree of influence. There has been little if any log-rolling in the proposal review process, at least insofar as particular cities and their representatives on the Committee are concerned.

It should be clear that the organization and membership of the Governor's Committee have played a large part in the allocation of LEAA funds. If the committee membership had been changed to reflect a wider segment of the general population, or if representatives of specific state agencies had been added or dropped, the overall priorities indicated in the annual plan might have been different. If representatives of the state legislature had been appointed to the Committee, the grant-giving

process would have been more highly politicized, but as a result many more locally-initiated projects (as opposed to state-generated projects) might have been funded. If the Governor wished to exert more of a controlling influence over the committee he could have eliminated the Attorney General as head of the Proposal Review Board. In any given year he could have channeled federal funds into selected state agencies, thereby reducing the pressure for increased state taxes. The Governor might also have decided to replace the large city strategy with a more distributive suburban orientation--particularly because the Governor has not been interested in strengthening the political fortune of the Mayor of Boston. The lack of control exercised by the federal and regional LEAA offices has given the state a great deal of latitude. If the staff were not quite so competent and the Committee not quite so scrupulously honest, the allocation process might well have been wrought with corruption.

While it is relatively easy to see that the allocation of LEAA funds has been affected by the organization and membership of the Committee, it is not quite so obvious what changes might enhance the prospects of institutionalizing key innovations or reforms in the criminal justice system. By cutting back on the number of official

representatives of the criminal justice system that serve on the Committee, the chances of implementing important reforms could be diminished. The logic of the argument is apparent, but there may be a flaw. In the final analysis, reforms are implemented from the bottom up. That is, modifications in police procedure or court administration need to be acceptable to the men and women who staff these institutions on a day-to-day basis. Pressures from above have to be taken seriously, but if a proposed reform is administratively unmanageable, technically infeasible, or a threat to the professionals at the bottom, it is unlikely that the endorsement of a top state official sitting on the Governor's Committee is going to make it work. It is also important to consider the kind of reforms that state and local officials think are required as compared to the reforms that community or neighborhood representatives are likely to desire. Assuming a difference of opinion is likely, which group is more apt to have its fingers on the pulse of the communities involved? If there is a strong negative reaction to a proposed innovation at the local level, reform is very likely to go by the boards. Of course, the chances of a state legislator, a community representative, or even a cop on the beat coming up with a startlingly new techni-

cal innovation are very slim.⁴⁸ This raises a fundamental question about the overall objectives of the LEAA program. Ideally there should be a balance on the Committee (and among the staff) between those sensitive to the needs and aspirations of neighborhood groups, consumers, and lower level professionals who make the system work and those free to contemplate new approaches and ideas from outside the professional criminal justice system. To the extent that the membership of the Committee and the interests of the staff have impacted the process of institutionalization, a better balance might have enhanced the chances of successful reform.

Community Representation and Citizen Participation

On March 24, 1970, Governor Sargent named five minority representatives to the Governor's Committee: Attorney David Nelson, Chairman of the Massachusetts Defenders;

⁴⁸Dr. Jerome Miller, former Head of the Department of Youth Services, is cynical about the possibilities of implementing reforms in any way other than through strong and aggressive leadership at the top of state agencies. Miller also suggests that the state planning agency should not be funding innovative projects outside the system, rather, the Governor's Committee should be feeding its funds to key individuals in line agencies who can use the federal funds to barter out of the existing state system and to set up alternative programs. Miller feels that the switch to non-competitive grants has lessened the chances of reform. He argues that unless the Committee opts for an approach such as California has taken, which is to contract with specific state agencies for certain kinds of programmatic reforms, nothing of any importance is likely to result.

Donald Taylor, Executive Director of the South End Neighborhood Action Program in Boston; Gwendolyn Jefferson, Planning Director for the Roxbury-North Dorchester Area Planning Action Council; Frank Baily, of the Springfield Model Cities Program, and Alex Rodriguez, of United Community Services (and a leader in the Puerto Rican community in the Boston area). These appointments gave the Committee its first minority and neighborhood representatives. (Nelson and Baily shifted jobs shortly thereafter and resigned from the Committee.)

The original LEAA legislation specified only that members of state planning commissions should be "representative of the law enforcement agencies, units of general local government, and public agencies maintaining programs to reduce and control crime." There was no requirement in the legislation for non-public, community, or minority group representation.⁴⁹ In Massachusetts, the 1969 state plan made a commitment to broadening community development, stating that it was "essential that a constructive plan be developed to involve the total community."

⁴⁹Scott Lassar, "The Administration of Law Enforcement Assistance Administration Grants in Illinois 1969-1970," a report of the Chicago Law Enforcement Study Group, Evanston, Illinois, 1971, p. 8. For a further discussion of "guidelines as a source of control" see B. Douglas Harman, *op. cit.*, p. 144.

Has community representation on the Governor's Committee enhanced the funding prospects for community-initiated proposals? What role have various citizens' groups played at the state and local level in setting criminal justice priorities for LEAA spending? Have the community representatives on the Committee been able to influence the overall allocation of LEAA funds for neighborhood and minority needs? Have minority and community attitudes toward the LEAA program changed? And finally, if an increase in minority and local community participation in the allocation of LEAA funds in Massachusetts is warranted, what will be required to bring it about?

A survey of state planning agencies completed in 1970 by the Urban Coalition indicated that most state planning agencies "suffered from an across the board shortage of representatives from public and private social service agencies and from citizen and community interests."

Although there were some minority participants in some states, almost all were either local government representatives or criminal justice officials. As of May 1970, only 4% of the individuals serving on state planning agencies represented citizen and community interests.⁵⁰ De-

⁵⁰National Urban Coalition, Law and Disorder III, State Planning and Programming Under Title I of the Omnibus Crime Control and Safe Streets Act of 1968, op. cit., p. 9.

spite Justice Department claims to the contrary, state planning agencies have been dominated by criminal justice officials.⁵¹

A court suit initiated under Title VI of the Civil Rights Act of 1964 charged that the composition of the state planning board in Mississippi discriminated against blacks and other minorities and that the narrow composition of the board had a detrimental effect on the programs funded by the state. Throughout the country, very little emphasis was given to programs designed to strengthen the ties between criminal justice agencies and the community. Although former Attorney General John Mitchell issued regulations forbidding discrimination in employment by state and local agencies receiving LEAA funds, an internal Justice Department report charged that the LEAA had not withheld funds from police departments engaged in such

⁵¹Ibid. The Coalition cited a speech made by Charles Rogovin, LEAA Administrator until June 1, 1970, in which he said that boards should have

"representation from the general community. This is, representatives from many diverse groups who have no professional ties to the criminal justice system also should be included on advisory boards. Some of these should be Negroes and members of other minority groups. And it further means that all the community representatives should be given a meaningful role to advise, consult, express their concerns, give their judgements, help shape the best program possible. This process should occur not only at the state level, but also at the local level where cities and counties develop advisory boards to help draft programs for meaningful local law enforcement improvements."

practices.⁵² The fact is that the Justice Department failed to develop clear Title VI guidelines for the LEAA program or to set up a system for processing complaints. In 1972, the Civil Rights Commission reported that the Law Enforcement Assistance Administration had no staff member with responsibility for determining whether state and local programs were in conformance with civil rights law.⁵³

Officials in the community relations service of the Department of Justice admitted that LEAA had not tried to alert community groups to the opportunities available under the LEAA program, nor had state agencies set up any machinery to prompt minority interest. As of 1975, most state agencies had not provided adequately for the participation of persons with links to community groups and community problems. No effort had been made to withhold LEAA funds from state and local agencies practising discrimination of any kind.

⁵²Robert Smith, "Justice Agency Called Indecisive on Civil Rights," New York Times, August 13, 1971; Ronald Ostrow, "Justice Department Unit Hit as Subsidizer of Bias," Los Angeles Times, December 10, 1971; also National Journal, January 29, 1972, p. 187.

⁵³Urban Coalition, Law and Disorder II, op. cit., p. 10.

The isolation of the criminal justice system from other influences and resources in society is a major cause of the system's backwardness. Until linkages are made with private agencies, civic organizations, volunteer groups, and grass roots organizations, it will be difficult to develop effective crime prevention programs to improve community relations.⁵⁴

With the appointments of Jefferson, Taylor, and Rodriguez, Massachusetts responded at least in part to the charges leveled by the Urban Coalition. As it turns out, though, community representation on the Governor's Committee had little or no effect on the pattern of grant allocations. Jefferson, Taylor, and Rodriguez did not find that their involvement on the Committee gave new leverage to community and minority groups anxious to bring about major reforms in the criminal justice system. The problems they encountered in trying to influence the Committee suggest that community representation at the state level is not likely to produce significant modification in the way LEAA funds are used. From the outset all three community representatives were overwhelmed by the camaraderie, jargon, and unfriendliness of the other committee members.

Taylor and Rodriguez did not attend very many meetings. Gwenn Jefferson, who sat not only on the Committee but on

⁵⁴Ibid.

the Proposal Review Board as well, was the most outspoken community representative. All three individuals viewed their appointments with some ambiguity. To a great extent they felt co-opted. Taylor indicated that he took a position with some uneasiness. He saw himself as a black man going into an organization "intent on buying tanks to suppress blacks." As the only woman on the Committee, Ms. Jefferson felt she was not taken seriously; although in her own words, she "could speak up without worrying whether her funds would be cut off [since she didn't have any] or whether she would insult someone [since she felt that the other Committee members did not consider her to be on their level]." Her sense was that most funding decisions were made by the Attorney General and the Executive Director outside the formal meetings. Committee members were limited to exerting what leverage they could through personal and informal contacts with the Attorney General and the staff.

Another problem that all three community representatives encountered was the impossibility of keeping abreast of all the grant proposals and draft versions of the annual state plan. The stream of materials was overwhelming. Unlike some of the criminal justice officials, the community representatives did not have staff assistants

to help them scan the constant flow of documents. Rodriguez and Jefferson both received calls from Boston community groups seeking support for proposals. Their efforts to advocate some of the Boston proposals, however, were undercut by having to work through Boston's Safe Streets Committee as well as through the Governor's Committee. (The Boston-state relationship is a complex one and is discussed below.) Some of the Committee members have commented on Gwen Jefferson's ability to influence the outcome of discussions involving community-based projects, but she does not share their view. She feels that she did not have the technical expertise necessary to do battle with the Attorney General, the staff, and the other members of the Governor's Committee. Perhaps her comments carried some weight when certain community-based projects were under discussion, but in general she has had no expectation of turning the Committee around on anything. Rodriguez took a different approach. When projects which he was asked to support come up for review (particularly in the area of police-community relations) he dealt directly with the Executive Director of the Governor's Committee. Rodriguez decided his support could best be registered in this way. If he could convince the Executive Director, he hoped the rest of the Committee would go along.

According to Donald Taylor, the black community did not take the LEAA program very seriously. For blacks and other minorities, law enforcement is synonymous with repression. Some members of the black community are concerned about prison reform and efforts to hold down the increasing crime rate in minority neighborhoods, but they have not been able to organize around these issues. Consumers or grass roots representatives of those most directly affected by the criminal justice system (prisoners, former addicts, etc.) might be able to offer an alternative perspective of needed reforms but this point of view is not shared by the majority of Committee members. Professor Livingston Hall (another Committee member) suggested that "former offenders have shown by past actions that they don't believe in law and order"; it is all right to seek out their advice but they "should not be entitled to share in decision-making." Hall also believes that "the more grass roots a person is, the less he seems to attend committee meetings." There may be some truth to his assertion, but more than anything else, poor attendance may be a reflection of the way Committee members treat outsiders, especially non-professionals.

If all five appointees had remained on the Committee and if they had been able to organize around a limited set of

programmatic objectives, they might have been able to rouse support for some of the community-based projects that were turned down. The probability, though, that community representatives without significant credentials in the field could influence the overall philosophy and priorities of the Committee, is indeed small.

Community representation at the state level has not altered funding priorities. The same is true at the city level where public involvement has been even more limited. Local criminal justice coordinating committees were set up in Worcester, Springfield, Cambridge, Fall River, Lynn, New Bedford, and Boston.⁵⁵ They all encountered serious difficulty.

For the most part, the task of involving non-professionals at the local level is made more difficult by the lack of clear-cut federal regulations requiring community input into LEAA policies and programs. As long as state funding priorities shift from year to year and the competitive approach to grant administration is in effect, there is almost no way to sustain continued citizen involvement at the local level. Even with the switch to non-competitive

⁵⁵Law and Disorder III (draft), op. cit., Chapter IV, p. 10.

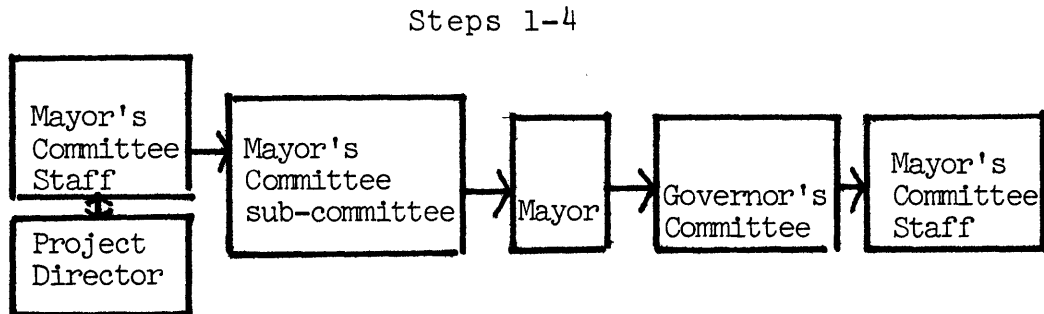
grants, the administration procedures created by the state planning agency have rendered meaningful citizen participation at the local level nearly impossible.

Figure II represents the steps involved in gaining approval and securing funds for an LEAA project in the city of Boston. The outline prepared by George Kuper of the Mayor's Safe Streets Staff presents the background against which efforts to promote citizen participation must be viewed. It has clearly been impossible to keep interested citizens abreast of the progress of each grant proposal as it moves through the pipeline. The constant looping of grant applications back through the city's Office of Justice Administration and the Governor's Committee staff means that projects are often very different at the end from the versions community groups approved at the outset. This, of course, can seriously undermine any citizen participation effort.

In 1969 a Coordinating Committee for the Administration of Justice was appointed by the Mayor of Boston; in the same year a Mayor's Advisory Committee for the Administration of Justice, allegedly citizen-based, was also formed. The Coordinating Committee was composed entirely of police and other city officials, while the advisory committee

Figure II

ADMINISTRATIVE PROCEDURES FOR
LEAA PROJECTS IN BOSTON
(prepared by George Kuper, Mayor's Office, Boston)



1. An idea for a possible project can come from many sources: a component agency of the local justice system; the staff of the Mayor's Committee; or local community-based agencies or groups. Ideas are refined and hammered into a formal application format by the staff of the Mayor's Committee in cooperation with the Project Director for the proposed project (if he is known at this time) or with other persons interested in the initiation of the project. Essentially, the application includes the following types of information among others:

- what the project will do
- who will be involved in it
- how much it will cost; how funds will be spent
- the length of time projected
- how the project fits in city and state comprehensive plans
- source(s) of future funding if LEAA must discontinue funds

2. The completed application is reviewed and endorsed or rejected by the Mayor's Committee and then, if endorsed, is sent to the Mayor for his signature.

3. The application is then submitted to the Governor's Committee, and roughly the following actions are taken by that agency:

- a. the application is reviewed in its general program area.
- b. an individual staff recommendation is placed on the application--as to the individual merits of the proposal as well as its applicability to the Commonwealth's priorities as determined by the Governor's Committee in cooperation with LEAA.
- c. the application is sent to the Proposal Review Board, which then makes its recommendation (to fund the project or not) to the Governor and the Attorney General.

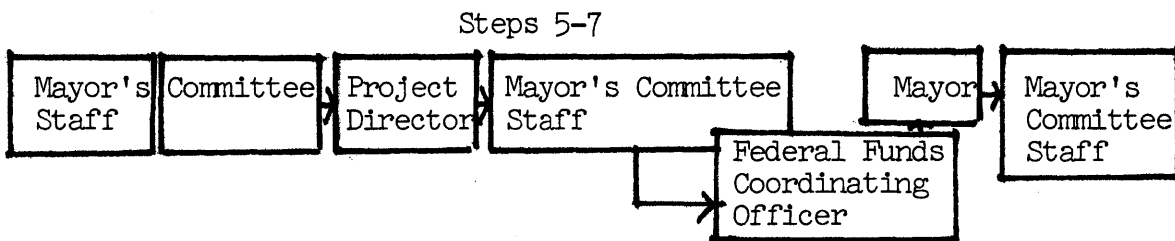
This review/recommendation process normally takes about 10 to 12 weeks, though it can take longer.

4. If a decision is made to award funds for the project, the Governor's Committee does the following:

- gives a verbal advice of the award to the Mayor's Committee
- confirms the award via telegram

Subsequently, the Mayor's Committee receives from the Governor's Committee a grant award.

The grant award is often made conditionally, subject to the Governor's Committee's acceptance of a detailed workplan (a fuller description of all activities involved in the project).

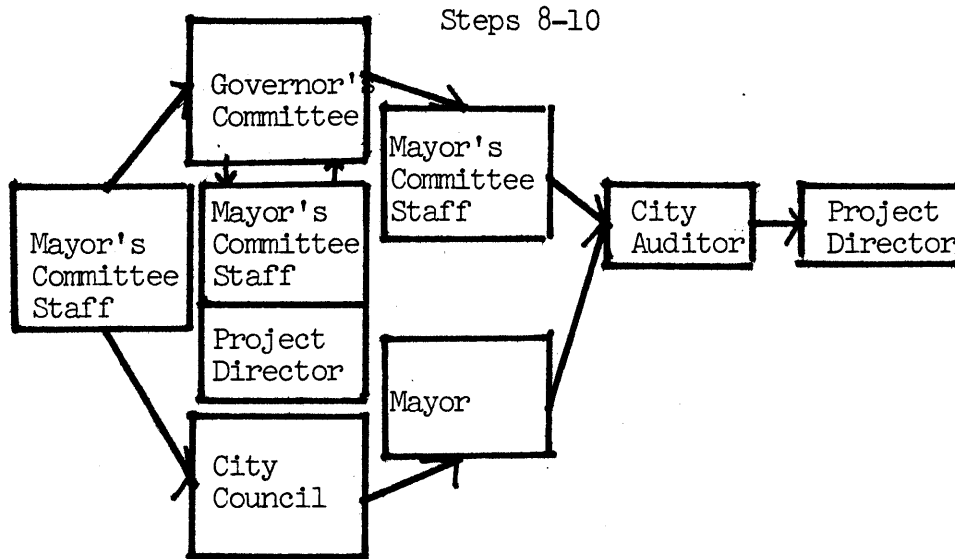


5. The terms and conditions attached to the grant award must be agreed to in writing by the Project Director. The Project Director's agreement is then sent back to the Mayor's Committee staff.

6. The Mayor's Committee staff then sends the award to the city Federal Funds Coordinating Officer; from there, it goes to the Mayor's Office for his signature. The Mayor's signature on the award creates

what is, in effect, a contract between the Governor and the Mayor for the performance of the project.

7. The grant award is then sent back to the Mayor's Committee staff.



8. The Mayor's Committee staff then undertakes two activities simultaneously:

- the Mayor's Committee staff returns the signed grant award to the Governor's Committee and submits both an initial cash request and a report of expenditures on the project.
- the Mayor's Committee staff submits the grant award to the Boston City Council for the council's authorization of the receipt and expenditure of funds for the project. (Note: the City Auditor cannot expend funds without an order passed in council, signed by the Mayor.)

At this stage of the overall process, two things are happening: the Governor's Committee is processing a check (in response to the cash request), and the City Council is preparing to issue an order in council, accepting the grant award. Ideally, both these activities should occupy about six weeks each. In reality, the City Council often acts in a shorter, or longer, period of time.

The time within which the Governor's Committee processes the cash request and prepares a check is lengthened considerably if the Governor's Committee determines that it should require the submission of a workplan by the Project Director and the Mayor's Committee staff.

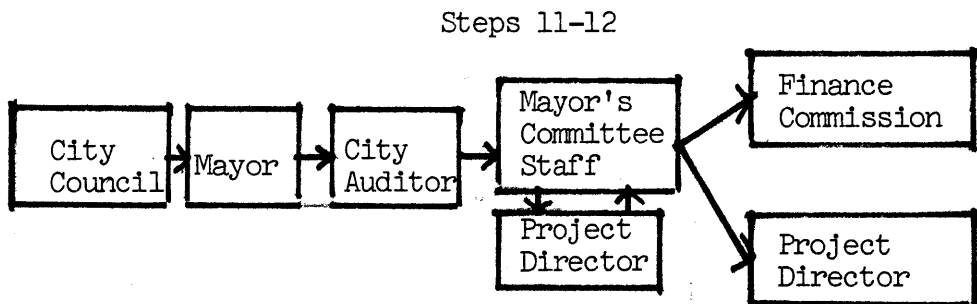
9. The culmination of the activities of the Governor's Committee (after requesting and reviewing a workplan, if one is deemed necessary) is the preparation of a check which covers the first four months' expenditures on the project. This check is sent to the Mayor's Committee staff, which in turn deposits the check in the City Treasury.

The culmination of the City Council's activities is the issuance of an order in council, accepting the grant award, and authorizing the City Auditor to expend funds. After City Council acceptance, and the Mayor's signature on the order in council, the City Auditor is notified and he designates an account number for the project in the city's financial records.

10. The action taken by the Governor's Committee (Step 9, above) means that a project director may go ahead and initiate his project IF HE IS ALREADY AN AGENT OF THE CITY GOVERNMENT, i.e., someone who has an already-established relationship to certain city accounts. A Project Director who falls into this category may proceed with the running of his project and handle the financial transactions of the project in either of two ways:

- a. he may spend funds out of the accounts which he himself controls; then the charges are taken out of these accounts and entered into the project account (which the City Auditor has already designated, see Step 9 above).
- b. or, the Project Director may deal directly through the project account. (For use of this method, approval is needed from the Administrative Officer of the Mayor's Committee staff, the Mayor's Committee chairman, and the Mayor.)

Once his project is underway, the Project Director must supply the Mayor's Committee with quarterly reports, and reports on expenditures.

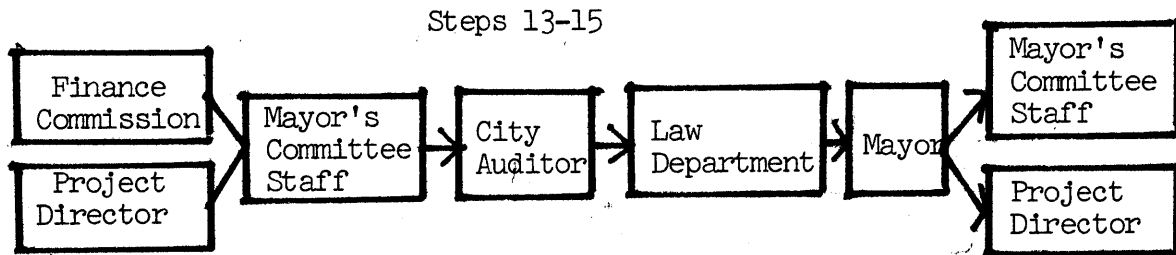


11. If the Project Director is not an agent of the city government (i.e., not a police department or corrections representative, for example) a contracting procedure is undertaken.

After City Council acceptance of the grant award (Step 9) and the addition of the Mayor's signature, the Mayor's Committee Staff initiates the contract procedure. A rough contract is drawn up by the Mayor's Committee staff and the Project Director.

12. Then, two activities occur:

- a. The Mayor's Committee sends a letter to the Finance Commission, asking that public advertising be dispensed with in connection with the contract, since the particular talents of the Project Director and/or his associates make him uniquely qualified to undertake the work.
- b. The Mayor's Committee sends four copies of the contract to the Project Director; he reviews the contract for substance and requirements, signs the contract, and returns it to the Mayor's Committee along with a performance bond or a \$100 certified check.



13. The Project Director returns the signed contract to the Mayor's Committee staff. The Mayor's Committee staff then awaits a letter from the Finance Commission stating that public advertising has been dispensed with. When the letter is received, the Mayor's Committee staff forwards the contract and the letter to the City Auditor for signature.

14. The contract is then sent to the city Law Department for review by an assistant corporation counsel and signature by the Corporation Counsel.

15. The contract is then sent to the Mayor for his signature.

Once the contract is signed by the Mayor, the Project Director receives a copy of the executed contract, and he may begin work on the project.

Note: Ideally, the contracting procedure should occupy approximately six weeks; in reality it usually takes 10 to 12 weeks.

Note on Non-Competitive Applications

The procedures just described are applicable to the competitive application process; further steps precede the application in the non-competitive area:

- the development and writing of a comprehensive city plan for use of LEAA funds on crime control and prevention projects
- the inclusion of the city's plan in the overall state plan
- LEAA approval of the overall state plan
- state authorization for the city to write and submit an application in the non-competitive area

At this point, the application process becomes the same as the process already described.

included (in addition to police and other officials) representatives of the clergy, community organizations, and business interests. In 1971 these two committees were merged to form the Mayor's Safe Streets Act Committee.⁵⁶

The powers of the Mayor's Committee have never been clearly defined.⁵⁷ The Committee has tested various roles vis a vis the Mayor, the city council, and the state planning agency. Some committee members complain of an overbalance of law enforcement personnel and an underrepresentation of community people. Members of the Mayor's Committee have experienced extreme frustration in trying to prepare long-range criminal justice plans for the city. This frustration has been due in part to the slow flow of LEAA funds from the state to the city and in part to the Committee's own organizational problems. Although state funds are committed annually, they arrive slowly. Projects have been delayed time and time again. Individual project directors have lost interest in some cases before the funds finally arrived from the state planning agency.

⁵⁶Office of Justice Administration, The Mayor's Committee, report prepared for the Boston City Council, 1971.

⁵⁷Law and Disorder III (draft), op. cit., Chapter IV, p. 28.

Boston has tried to set its own priorities, but there are definite conflicts between the interests of the city and those of the state planning agency. The city's Office of Justice Administration is a line agency set up to spend the state's LEAA money. It acts as a buffer between the SPA and groups and departments at the city level which have projects in mind. Staff members at the state level resent (what they feel to be) the interference of the Mayor's Committee. They have complained (unjustly) about low levels of competence in the city. The Mayor has given the Office of Justice Administration and the Advisory Committee little if any support. The City Council only recently endorsed the Committee's efforts and provided financial support for the OJA.⁵⁸ A number of community groups have come to the Mayor's Committee and to the OJA staff requesting LEAA funds. The staff has had to say that they do not have funds to spend for new projects, but they are there to help in the application

⁵⁸For the first year or so of the program, the City Council was literally unaware of the planning Committee's existence. By the time it was informed of the Committee's operations the staff had been increased to 45, a situation that created considerable hostility on the Council's part (it has since been reduced to 22 including clerical help). The Mayor's Committee seems to have overcome that hostility and has begun to develop a cooperative working relationship with the City Council elected in January 1972.

process. The OJA is looked upon as a funding agency but not as an advocate for city and community interests. In short, Boston's efforts to capitalize on the LEAA program have been hindered by the very problems that those suspicious of the block grant approach raised at the outset.

The Mayor's Committee has worked hard to develop effective community involvement and awareness--both at the policy-making level and in the administration of programs (selected by the Governor's Committee for funding). The structure of the LEAA program, however, which places final decision-making power in the hands of the state planning agency, has complicated the city's job. The relationship between the Mayor's Committee and the Governor's Committee has been characterized by distrust and a lack of cooperation. The city is given a commitment of funds each year, but the OJA staff still has to justify projects on a year-by-year basis and to show how its requests fit in with the overall priorities indicated in the state plan.⁵⁹ The delays involved in

⁵⁹The rocky working relationship between the city and the state agency is apparent in correspondence between Fred Scribner (OJA) and Arnold Rosenfeld (SPA), March 26, 1971, and May 10, 1971; Peter Borre (OJA) and Arnold Rosenfeld, May 27, 1971; and an internal memorandum to William Kramer, Deputy Director (SPA) from Richard Geltman, Acting Manager-Program Development (SPA) dated August 4, 1971.

getting money from the Governor's Committee to Boston and from Boston to the community have eroded public confidence in the city agency. At a minimum there have been three- to six-month delays between the award of grants by the state and the subsequent receipt of money by the grantee. In some instances, delays have been as long as fourteen months.⁶⁰ Simply put, the state has been unwilling to cater to Boston's (or any other city's) individual planning needs. The regional discretionary grant program has also created difficulties for the city.⁶¹

⁶⁰Ibid.

⁶¹In the spring of 1970 the Boston Office of Justice Administration applied for four discretionary grants. All four were approved (one for vertical policing services was solicited by LEAA in Washington). Subsequently there were arguments over who would administer the grants--the state, the region, or the Washington office of LEAA. Following the LEAA reorganization, it was decided that the regional office would administer discretionary grants for Boston. In 1971 the Boston OJA inquired of the regional LEAA office whether or not there was an application deadline for discretionary grants or whether proposals would be considered on a first come, first serve basis. They were told that the regional office would consider applications at any time and that as late as June, 1971 more than half the discretionary funds available to the regional office had not been committed. Two weeks later, the OJA was told that Washington had over-committed discretionary funds and that Boston would have to forget about the various grants they had submitted save for \$600,000 which the city could apply toward whatever grant proposals they preferred. Apparently the Governor's Committee staff sent a letter to the regional office asking the federal government to take back some of the discretionary funds that had been awarded to Boston since these funds were being spent without the prior approval of the Governor's Committee.

With regard to city-state relationships, the two most difficult problems have been the incompatibility of city and state funding priorities and the process of fixing a level of anticipated funding for the city. The potential for community participation at the local level depends to a great extent on the resolution of these two issues.

The city is willing to acknowledge that its plans for the allocation of LEAA monies must reflect state-wide priorities:

Some local projects may be components of broader programs which require coordination among local units of government; for example, there might be a need to centralize crime statistics, or to coordinate programs in such areas as services to released offenders;

Unless there is some degree of compatibility between city and state programs the potential for information exchange and the transfer of solutions to other comparable jurisdictions is diminished.⁶²

While Boston accepts the fact that its plans must reflect state-wide priorities, the city also wants enough flexibility to be responsive to local circumstances. Because the capacity of various Boston agencies to absorb and

⁶² Peter Borre, "Proposed City-State Planning Procedures, updated draft, Spring, 1972.

implement new programs may not be commensurate with the rest of the state, the relative emphasis and hence the relative funding assigned to specific priority areas in Boston might best be left up to the city.⁶³ However, if this means that Boston has to compete for its funds (from a pool of money set aside by the state for non-priority items), then the opportunity for meaningful citizen participation will be lost.

The city needs to be able to develop an annual operating plan with the expectation of receiving an agreed upon percentage of the total Safe Streets award made to the state over a period of years.⁶⁴ Citizen participation, if taken seriously, is a long and drawn out process. Constant shifting of state priorities and ad hoc adjustments in the city's proposed criminal justice programs have seriously undermined efforts to involve community representatives in the design and implementation of LEAA projects.

Some mechanism such as a city-wide coordinating council is needed to establish a point of entry for interested

⁶³Ibid.

⁶⁴Ibid.

community groups. Local groups can not and should not be expected to deal directly with line agencies in the city (which invariably apply for and receive the lion's share of all LEAA funds). If such coordinating councils and their staffs are to succeed as brokers, they must be able to depend on a continuous flow of money from the state. The state planning agency is too distant from neighborhood groups to successfully elicit their involvement. With a guaranteed level of funding and the right to set local priorities, the city could handle this responsibility.

Many of the programs funded in the city of Boston, especially the detoxification program,⁶⁵ various citizen security projects,⁶⁶ and the community residential centers

⁶⁵The Boston Alcoholic Detoxification Project was planned to reduce the number of public drunkenness arrests by the Boston Police; to save space and time of police, courts, and correctional personnel and facilities; to demonstrate a cost-effective method for the treatment of alcoholics; and to improve the quality of health care received by homeless alcoholics. The components of the program included a three-man civilian Street Rescue Team which approaches men who were drunk in public view and offers them an opportunity to voluntarily enter a five-day drying out program. The team has patrolled police district #4 in Boston, transporting willing intoxicants to a seventy-seven bed detoxification unit.

⁶⁶The objective of the Citizen Security Projects is to increase the security of people in specific high crime neighborhoods of Boston. One program ("My Friend the Policeman") was designed to familiarize school children with the law enforcement process; another (Sav-More) was aimed at improving police-community relations and involving neighborhood people in efforts to improve security.

for delinquent and pre-delinquent children,⁶⁷ hold out the promise that at least one goal of LEAA--to improve and change the criminal justice system--might be met. But the pressures to design a new program each year and to obtain quick results, the uncertainty surrounding funding levels, and the lack of a firm commitment from the city to take over projects once LEAA funds are phased out put the future of these projects in doubt. It is easier to design sophisticated communications systems which are tangible and visible and which, once established, require little if any further funding.⁶⁸

It is possible that the state plan should be nothing more than a collection of city plans and a related shopping list

⁶⁷The community residential center for juveniles has involved support for the DARE residential Youth Center on Blue Hill Avenue in Dorchester. The center provides an alternative to incarceration for youths who have been involved in the criminal justice system and for those youths in need of residential care. DARE has been a controversial project and is discussed later on in this Chapter.

⁶⁸There has been a running battle between the Mayor's Committee and the Governor's Committee concerning Part E funds (special LEAA block grant appropriations for juvenile delinquency and corrections). The Governor's Committee has refused to distribute any Part E funds (in 1972 the allocation of Part E funds to Massachusetts was over \$1,300,000) to cities or counties on the grounds that state correctional and juvenile delinquency programs are more important than anything the cities might come up with. See letter from John A. Fiske, Chairman, Mayor's Safe Streets Act Advisory Committee to Attorney General Robert Quinn, dated March 23, 1972.

of projects which the state planning agency could promote on a multi-city or regional basis. This approach would more closely approximate a pure form of revenue sharing than the consolidated block grant approach adopted by LEAA. The direct aid to cities approach has its own shortcomings. Although Boston has the manpower to staff a local criminal justice planning agency, many other cities do not. Some of the projects that Boston has chosen to fund only treat the problems of lawlessness and criminal justice symptomatically. In most instances, it would make more sense to implement reforms in the prison system, the courts, and in the way in which drug offenders are handled on a state or area-wide basis. This suggests, perhaps, that police-community relations, citizen security, and community-based treatment and rehabilitation efforts in which local input is a key ingredient for success ought to be handled by the cities with shared funds, while other programmatic reforms ought to be coordinated at the state level and funded through the Governor's Committee.

In the absence of such a policy, neither community representatives on the Governor's Committee nor coordinating councils at the local level are likely to advocate community and minority interests in an acceptable way. The time is ripe for a shift in funding strategy. If

Donald Taylor is right, local groups (especially minority groups) are now more interested than ever in becoming involved in efforts to reform the criminal justice system. The only way for community input to work is for the Governor's Committee to relinquish some decision-making power to municipal coordinating committees that can demonstrate a reasonable planning capability and can show evidence of adequate representation of minority and neighborhood groups. Obviously other conditions would also need to be met, but a shift in strategy may well be a necessary precondition to effective community participation in the LEAA program.

Strengthening Criminal Justice Planning Capabilities at the Local Level

If the Safe Streets Act was designed merely to fight crime in the nation's largest cities, then the block grant feature of the program could just as well have been eliminated. If Congress had intended to develop a system of aiding the large cities with serious crime problems, a direct, categorical grant system would have been more appropriate.⁶⁹ However, Congress had another objective: the transfer of grant-in-aid powers to state governments and the promotion of interjurisdictional planning for law enforcement. It follows, therefore, that one important

⁶⁹B. Douglas Harman, op. cit., p. 152.

indicator of the LEAA program's success is the extent to which state planning agencies have been able to strengthen criminal justice planning capabilities at the local level.

In Massachusetts, a portion of the funds coming into the state has been used to establish planning offices in several of the largest cities. Unfortunately, this effort has been inconclusive. By late 1972, the state agency was still doing most if not all of the criminal justice planning in the Commonwealth. Moreover, an underlying struggle had developed between the local criminal justice planners and the staff of the Governor's Committee. Essentially, this involved control over the definition of municipal planning responsibilities and the determination of local funding priorities.

While the Governor's Committee accepted in principle the need to strengthen local criminal justice agencies, members of the staff moved slowly and cautiously. The Metropolitan Area Development squad spent considerable time reconnoitering. They were not averse to using planning and action grants as "bribes" to get the "right" planners hired or to capture the attention of an uninterested Mayor.⁷⁰ Local planners placed by the SPA were

⁷⁰Interview with Tom Sweeny, Governor's Committee Staff, former head of the Area Development Squad.

treated more or less as extensions of the state bureaucracy. They were fed a continuous diet of state planning rhetoric and held in check by the switch to non-competitive grants which put them more or less at the mercy of the Governor's Committee. While a number of localities tried to strengthen their commitments to criminal justice planning, the state continually changed the rules of the game. Each year it became more difficult to find something appropriate on the annual shopping list of competitive grants, to learn when to go the discretionary route and when to deal directly with the state, and to know how to handle the necessary paper work and approvals.

The SPA staff tried to map out long-term strategies for each high-priority city. These strategy drafts (insofar as they touch on spending priorities) reflect state-wide multi-year forecasts submitted to Washington. In effect, the local planners' job has been reduced to little more than processing successive rounds of LEAA grant applications (in accordance with the state's best estimate of local needs). For the most part, local planners have had no input into annual state plans, nor have they had access to the strategy drafts which have more or less sealed their fate for the next several years.⁷¹

⁷¹These observations were confirmed in interviews with local criminal

The tension that developed between the state and the Boston criminal justice planning agency portends similar conflicts between the state and other cities such as Worcester, Springfield, Lynn, New Bedford, Fall River and Cambridge. For towns such as Malden, Lowell, and Lawrence which have not been at the top of the priority list, the problem of professionalizing local criminal justice planning has been equally severe, but for different reasons.

There are actually several separate issues at stake, and each has a bearing on the problem of institutionalizing reforms in the criminal justice system. First, how should the state go about the business of building up local planning capabilities? Second, once local agencies have been established, what is it that they ought to be doing? And third, as soon as local planning offices are operating on their own, what adjustments need to

justice planners including John Wheeler (Worcester), Harry Weinroth (Lawrence), Norman Duncan (Springfield), Thomas Tight (Cambridge), Richard Torto (Lynn), Barry Monihan (Fall River), Bill Allen (Boston), Dana Skiff (Malden), Ben Baker (New Bedford), James Bretta (Somerville), and Lou Simmons (Lynn). See also a memorandum from Harold Kramer (former head of planning for the Governor's Committee) to the staff dated July 22, 1971, in which it was stated that no mechanism has existed for involving local criminal justice agencies (or even other state agencies) in the preparation of the annual plan.

be made in the way the state agency relates to them?

The Metropolitan Area Development (MAD) squad has been in charge of efforts to strengthen local planning. The staff ~~has~~ the power to review local appointments prior to the actual payment of state funds. In some instances where mayors have tried to appoint their own candidates as project directors or as local criminal justice planners, the SPA staff has attempted to block the appointments. Occasionally the staff has offered to strike a bargain--accepting a Mayor's candidate for the post of project director but holding out for their own choice of assistant director.

Arnold Rosenfeld (the Executive Director) argues that the selection of project personnel should be a local decision, but his staff has found it difficult not to interfere. For example, after investing considerable time and effort in building local support for the LEAA program in Fall River, the staff decided that it could not permit the city to turn the program over to someone they judged to be incompetent. Members of the MAD squad went directly to the Mayor. They explained that the man the city had in mind for the job could not be trusted; they also reminded the mayor "how important mutual trust

could be in securing funds from the state."⁷²

In general, the MAD squad has not been satisfied with the level of planning in most of the target cities, but perhaps they have expected too much too soon.⁷³ In Springfield the MAD squad was convinced that the local criminal justice planner had alienated most if not all the actors in the local system and that he was giving the Governor's Committee a "bad name." They went out of their way to undermine his efforts. (They were apparently annoyed when he pushed the city into a discretionary [vertical policing] project of which the staff disapproved.) When he subsequently left Springfield, the Governor's Committee did its best to influence the selection of his replacement. It is clear that by withholding support and approval, the SPA has hindered the development of certain local planning agencies.

In 1972, the MAD squad outlined four major functions for a local criminal justice planner: (1) grant administration--paper processing; (2) grant management (for

⁷²Interview with Peter Connolly, Governor's Committee Staff, Metropolitan Area Development Squad.

⁷³The new head of the MAD squad, James Peters, formerly the criminal justice planner for Cambridge, seems to have a more realistic notion of the problems likely to crop up at the local level.

which they felt managerial but not necessarily criminal justice skills were required); (3) program development-- assessing local needs and designing responses; and (4) actual criminal justice planning--overall coordination of criminal justice activities at the local level (something the staff felt that no city had yet been able to handle). A careful examination of planning grants awarded to various cities over the past few years indicates that most if not all the money for planning has been spent primarily to facilitate the flow of project applications and awards to and from the Governor's Committee.⁷⁴ Nine out of every ten tasks described in planning grant requests have related solely to grant administration and management: "developing, with the Committee on Law Enforcement, an acceptable administrative structure"; "assuming responsibility for financial reporting of all area projects"; "complying with and providing technical assistance in meeting LEAA budgetary conditions"; "submitting competitive and non-competitive grant applications"; "providing the Governor's Committee with first-line monitoring and evaluation of action projects"; "informing potential applicants of the

⁷⁴For example, see approved planning grant applications from New Bedford (February 1, 1972 to December 31, 1972), Cambridge (March 1, 1971 to December 31, 1971), and Worcester (January 1, 1972 to December 31, 1972).

eligibility requirements for programs"; "providing assistance in the recruitment and selection of staff and consultants for projects"; etc. Most planning grants have been awarded for nothing more than managing on-going projects funded by the Governor's Committee.

The state agency has tried to influence the selection of local criminal justice planners in an effort to weed out professionals who have no allegiance to the priorities set by the Governor's Committee. The staff admits, though, that a local planner must have the confidence and full support of key municipal officials. In spite of the Executive Director's "hands-off policy," members of the MAD squad have not been afraid to press local officials--condemning and praising candidates under consideration for local positions. This has created serious problems for some of the local planners who ultimately owe their jobs to friends on the Governor's Committee, but whose day-to-day survival depends on their allegiance to local policy-makers.

During the start-up phase of the LEAA operation in Massachusetts, it made sense for the MAD squad and other members of the state staff to pick up a large part of the municipal planning burden. The continued use of

outside consultants, however, to handle organizational and evaluative tasks at the local level is much harder to justify. Clearly this has not helped to build local skills and resources (except insofar as getting money into the local system via successful grant applications can be viewed as part of an overall game plan). Consultants have been used to confirm decisions already made by state and local officials; to get things done in a hurry; to present an allegedly objective point of view; and to generate new ideas (based on the latest research). It appears that Massachusetts has fallen into the same trap that snared a number of other states:

Rather than address the long-term personnel needs of the [criminal justice] system and create the internal capacities which are required if the programs are to succeed, Federal and State managers of the block grant programs have in too many cases turned to outside consultants who, in the wake of whatever short-run benefits they provide, leave little of lasting value. Often their most remembered legacy is the exorbitant bill for their services.⁷⁵

Nationally, seven consulting firms received more than \$11 million in LEAA funds from 1969 through 1972. Five of those firms chalked up almost \$175,000 in Massachusetts, while various locally-based groups received additional hundreds of thousands of dollars for consulting work in areas such as communications technology and police

⁷⁵Monahan Report, op. cit., p. 48.

management.⁷⁶ The reliance on consultants in Massachusetts although justified to some extent on the grounds that certain tasks had to be completed in a hurry, has pumped little if any new life into local planning agencies. In some cases outside consultants have done more to humiliate local planners and criminal justice officials than to help them.⁷⁷ Moreover, few if any consultants have achieved substantial breakthroughs in the criminal justice field. In the long run, day-to-day involvement in the life of a city remains the only means of affecting the organization and operation of local service delivery systems.

There are other ways in which the state agency might have used its leverage to build up local capabilities: by encouraging the hiring of civilian personnel (as

⁷⁶Consulting firms in Massachusetts which have benefitted from the LEAA program include MITRE (emergency communications systems); Data Architects (record keeping systems); Arthur D. Little (police hardware); Harbridge House (Management Studies); Technical Development Corporation (Corrections). Also, see Monagan Report, *op. cit.*, p. 123 for a detailed listing of consultant contracts in Massachusetts.

⁷⁷For example, see the report prepared by David Johnston et al., Governor's Committee Police Management Studies: A Proposal for New Directions, which critiques the police management studies prepared by professional firms.

administrative assistants or as professional record keepers) or by promoting minority recruitment efforts. The Governor's Committee failed to move in either of these directions.

Assuming the cities can reach a point where they are able to secure the necessary skills and resources, what is it that they ought to be doing? There are various roles that local planners and planning agencies might play. Depending on whether the criminal justice system in the city involved can best be characterized as "cohesive" (working toward a common set of goals under strong centralized control); "complex" (working toward a common set of goals under multiple leadership); "competitive" (working toward conflicting goals under multiple leadership); or "fragmented" (without clear goals or recognized leadership)--the planner has a different role to play.⁷⁸

Traditional planning theory suggests that a single role, that of technician, is appropriate and sufficient in a

⁷⁸The planning roles presented here are based on a section entitled, "Political Roles of the Planner" in City Politics and Planning, by Francine R. Rabinovitz (New York: Atherton, 1969), pp. 79-117.

cohesive situation. Here the planner plays certain core roles centering around technical research and the provision of expert advice. He might also undertake long-range efforts aimed at raising the community's level of tolerance to planning. Only in a cohesive situation, where all the components of the political and service delivery system are operating in harmony, can the planner survive merely by "doing factual studies on non-controversial subjects or when requested by leaders, factual studies on controversial subjects."⁷⁹

In more "complex" situations, the planner must perform blatantly political roles. He has to have the "resources to change masters as well as the skill to institutionalize himself." Where the leadership is indecisive or constantly shifting, the planner has to be able to "choose

⁷⁹ Ibid., p. 112. In a memorandum dated May 26, 1970 Peter Ross (formerly of the Governor's Committee staff) suggested that

"there are a variety of constituencies the local criminal justice planner might represent. Given firm mayoral leadership and interest he might serve primarily as the mayor's spokesman and ambassador. He might drift into a comfortable relationship with the police, often the strongest element in the local system. He might, and perhaps ideally ought to, develop a good working relationship with all the key actors involved, while avoiding heavy dependence among and maintaining a relatively closer relationship with the Mayor and the Governor's Committee program staff."

allies and change alliances." In a "competitive" system, one, for example, in which the police chief has one set of objectives, the city council another, and the mayor still a third, the planner has to assume the role of "broker":

While some routine decisions fall to the advisor who has institutionalized himself as an expert with legitimate functions, important issues that might become the subject of conflict between competing groups are avoided by existing leaders. When action is needed and policy disagreements arise, answers can only be found if bargaining is encouraged.⁸⁰

In such situations the planner must help to specify alternatives and negotiate solutions. It may also be that when the planner's visibility as broker is low and other actors receive the credit for solutions, his effectiveness is enhanced.

In a totally fragmented system, routine decision-making is relatively unimportant. To achieve action in a fragmented system the planner must not only maintain alliances but act as a mobilizer--bringing together resources and sufficient energy to support change. To accomplish this the planner often has to commit himself to specific plans.⁸¹

⁸⁰Rabinovitz, op. cit., p. 113.

⁸¹Ibid., p. 114.

Since law enforcement and criminal justice systems at the local level (and at the county and state levels as well) are terribly competitive and fragmented, the most appropriate roles for the local criminal justice planner are those of mobilizer and broker. The least appropriate role is that of technician (i.e., grant administrator). To be most effective, local planning efforts must be moved out from under the political domination of the chief executive and into the mainstream of community life. Local planners need to decide what makes sense at the local level and to organize around very specific sets of issues. All these tasks are likely to be impeded as long as the state planning agency continues to set local priorities, to shift its emphasis and procedures from year to year, and to encourage local criminal justice planners to cast their lot with municipal chief executives.

An obvious conflict between the state and the local planning agencies has resulted from the relative emphasis that each attaches to innovation. Local planners have been anxious to reinforce existing strengths in the community and to bolster sagging agencies. The state on the other hand continues to search for fresh approaches or unique arrangements that more often than not fall

outside the existing criminal justice system.⁸² Because institutionalization of reforms (especially in fragmented political settings) depends on the planner's ability to work with local officials and agency heads, it makes more sense to involve various officials (as well as community groups) at the outset than it does to wait until after an innovation has been tested outside the normal channels. The explosion comes when a local criminal justice planner realizes that the time spent filling out forms and completing project reports for the state is time lost from the real work of assessing local priorities and mobilizing community resources. In the final analysis, LEAA funds constitute less than 10%

⁸²The implicit distinction here between innovation and reform probably ought to be spelled out. Aiken and Alford propose as a definition of innovation, "the generation, acceptance, and implementation of new ideas, processes, products, or services," "Community Structure and Innovation: The Case of Public Housing," American Political Science Review, Vol. 64, No. 3, Sept. 1970, pp. 843-864. James Q. Wilson suggests that "an innovation is a fundamental change in a 'significant' number of tasks. What is 'fundamental' and 'significant' cannot be given a precise, a priori definition, for in our scheme the meaning of these terms can only be determined by the organizations themselves." "Innovation in Organizations: Notes Toward a Theory," in James D. Thompson, Approaches to Organization Design (Pittsburgh: University of Pittsburgh Press, 1966), p. 196. For present purposes the introduction of a new technique or a new technology which impacts only the style, rate, or efficiency of task performance constitutes innovation. Reform as used here implies altered structural arrangements within and between agencies; either a realignment of responsibilities (power), a redefinition of roles (status), or an adjustment in the notion of client needs.

of the \$700 million allocated annually for criminal justice activities in Massachusetts; after a while the local planner may decide that LEAA monies entail costs that outweigh the accompanying benefits.

The Governor's Committee has not provided adequately for the involvement of local planners in the preparation of annual state plans. Communities that have invested in local staff improvements have been subjected to the once over lightly that characterizes MAD squad visits. This has been as close as local officials have come to formal contact with the state planning agency at a point where it is still possible to influence the annual state plan.

Larger cities should not have to deal with the state agency on a project by project basis; instead, they ought to receive unencumbered block grants (with appropriate "strings" attached) from the state.⁸³ Over time,

⁸³The state should definitely not relinquish funds without adequate guarantees of citizen participation, metropolitan collaboration, auditing, and regular project reporting and evaluation. Operating policies defining the ground rules of such a city-state relationship have been prepared by the Boston Office of Justice Administration. See the memorandum from John Merrill to Arnold Rosenfeld dated March 31, 1971 plus attachments. This is a remarkably well

staff members at the Governor's Committee (particularly the MAD squad) should be preparing to put themselves out of business. Eventually only basic research, information exchange, and a stable of in-house specialists ought to remain at the state level, as well as, perhaps, a residual technical advisory service for smaller towns or clusters of communities seeking to explore cooperative approaches to law enforcement (although even their requests might be handled by the nearest big-city agency). The Governor's Committee cannot afford to meddle with local appointments to the same extent that it has in the past. Such interference only serves to split the allegiance and to undermine the effectiveness of local planners. All in all, attempts to strengthen local criminal justice planning capabilities and to implement significant reforms in the criminal justice system are likely to fail if the staff at the state level is unwilling to relinquish planning responsibility to those cities willing to accept the challenge.

thought out set of policies and procedures, but it is all based on the assumption that Boston is entitled to 25% of the block grant monies coming into the state. The rationale for that assumption can easily be challenged.

The Failures of Congressional Leadership

Congressional critics attribute the shortcomings of the LEAA program to the inadequate supervision and direction provided by the Justice Department and to the lack of effective fiscal and programmatic controls at the state level. But the blame belongs in large part on the shoulders of the Congress itself. The inefficiency and conflict that characterize the LEAA program are part of the price being paid for the luxury of creative ambiguity in the preparation of federal legislation. Efforts to dilute and obfuscate the explicit purposes of basic enabling legislation (in an attempt to build broader political support) have lead to serious problems. Congressional infatuation with innovation as a program objective has also been counter-productive.

Congress settled for the rhetoric of "fighting crime in the streets" when nothing less than an all out commitment to fundamental reform in the operation and basic organization of the criminal justice system was required. By shirking its responsibilities the Congress contributed to the abuses that have occurred at the state level; to the conflict that has built up between state and local government over how shared revenues ought to be spent; to the undue politicization of efforts to improve law en-

forcement and the criminal justice system; and to the misdirected efforts that have been made thus far to evaluate the impact of LEAA-funded projects.

In remarks made before the House Committee on Legal and Monetary Affairs, Charles Rogovin, President of the Police Foundation and former LEAA Administrator, branded the Law Enforcement Assistance Program a failure:

. . . What is far more important about LEAA, in my judgment, is that it has in the main failed to give policy leadership to the criminal justice agencies it supports, and therefore has become a giant subsidy program, making little contribution to the improvement of criminal justice administration in the nation.

. . . It was, to be sure, easy to underestimate the complexity of what Congress asked for--comprehensive criminal justice planning. There was no precedent for coordinated planning in police, courts, and correction reform. . . . The second major problem in achieving Congress' objectives has been that too much money has become available too quickly for action projects. Lest we forget, this program has grown from \$63 million in 1969 to \$529 million in 1971. Without effective planning, without development of people who can do the planning, without strong administration of the overall program, the LEAA has been compelled by the sheer availability of money to spend less than judiciously. The pressure, in a field like this in which there is so much intense public and political interest, to spend has led to massive dispensing of money without careful analysis either before or after the money is spent.

The unavailability of sophisticated and experienced criminal justice planners, and the pressure on everyone to spend too much too quickly has been compounded by the public's simplistic notions about crime. I think that many people truly believed that the existence of LEAA and federal money would lead quickly to declines in crime. Those expectations have led criminal justice agencies to spend on things they hoped would lead to short-run statistical achievements, rather than on

things which lay the basis for real improvement.

. . . The third major problem is that the role of the LEAA has been murky since the beginning. The statute . . . created a block grant program which places basic policy responsibility in the states. LEAA has no direct operational responsibility over the states' criminal justice elements, but in theory is given authority to guide the reform of these elements.

This would seem to require that LEAA establish objectives, but it has not been done. I cannot emphasize enough how significant this failure has been. It has, in my judgement, had a debilitating effect on everything LEAA has done. It has meant that although Congress has appropriated \$860 million so far, there have been no priorities and no clear policies other than Congressional direction to emphasize organized crime and civil disturbance programs. Further there has been no attempt to measure what LEAA does. And indeed, most shocking of all, there is not even a knowledge of what LEAA funds are being spent on. Is this a situation Congress would tolerate elsewhere? If the Office of Education could not tell Congress how the public's money is being spent, would Congress continue to increase each year the appropriation of the Office of Education?⁸⁴

The problems that Rogovin cites stem from the failure of the Congress to exercise leadership in designing the program and in overseeing its operations. If the Congress had been more precise about the components of the criminal justice system that it hoped to change and about the nature of the changes that it hoped to achieve, the Law

⁸⁴Remarks of Charles H. Rogovin, President of the Police Foundation before the House Subcommittee on Legal and Monetary Affairs of the Committee on Government Operations, October 5, 1971, p. 6.

Enforcement Assistance Administration would have had the mandate it needed. Instead, the states have been allowed to run wild, in many cases spending money indiscriminately. They have purchased outlandish police hardware and in some cases have duplicated pre-existing social service programs already paid for with federal dollars.⁸⁵ LEAA's review of state plans has produced little in the way of guidance, while technical assistance to the states has not been forthcoming from the Justice Department. It is difficult to understand how the fiscal abuses documented in the Monagan Report (and mentioned in the Urban Coalition critiques) were able to slip by unnoticed. Perhaps, part of the problem was that Congress failed to anticipate the need for a centralized auditing mechanism. To some extent this followed from the misplaced reliance on state government that generally typified the

⁸⁵The General Accounting Office reported that one-third of the allocations approved by the state planning agencies in New York and California were for

"projects dealing with the underlying causes of crime rather than the criminal justice system. Many of these projects [were] in program areas administered by other Federal departments and agencies, notably the Departments of Health, Education, and Welfare, and Labor, and the Office of Economic Opportunity."

Statement of Gregory J. Ahart, Deputy Director, Civil Division, GAO, before the Legal and Monetary Affairs subcommittee, July 22, 1971, p. 6.

attitude of those favoring block grants. The level of competence and compliance has varied from state to state. Without uniform federal audits the weakest states have fallen prey to corruption and the strongest states have done their best to bend the rules.

The second problem (aside from financial abuses) that can be traced back to the failure of the Congress to spell out its objectives is the conflict between the states and the cities. In the absence of firm federal direction, the states have been left to their own devices. In part, this is what block grants were supposed to do; on the other hand, without an overarching set of nationally agreed-upon objectives to back them up, the states have in some cases discriminated arbitrarily against individual cities. In fact, the extreme flexibility promoted at the national level has fostered a certain arbitrariness on the part of state planning agencies. Since some big cities are in a position to match their professional manpower against that of any state, the big cities have no reason to believe that the judgments of state officials have been anything other than arbitrary. This problem has been further aggravated by the lack of clearly defined indicators of success. State planning agencies have developed their

own criteria for evaluating projects. Without the federal government as arbiter there has been no reason for the cities to accept the states' criteria. Perhaps the problem boils down to one of trust. The states were given administrative responsibility for the LEAA program, but it was never made clear why. They certainly had no edge in manpower and up until the late 1960's they had given little if any indication of a willingness to tackle the difficult crime problem in urban areas. In the absence of a clear and understandable mandate from the Congress there is no reason for the cities to defer to the states, especially in a field like law enforcement which has traditionally been a local domain. In short, the Congress gave the states very little to work with and the cities little, if any, reason to accept the judgment of the states.

Not only did Congress fail to spell out overall goals and objectives, it also avoided setting priorities of any kind. Thus, when one state chose to focus its energies on correctional reform and another on the development of sophisticated police information systems there were no grounds on which the Justice Department could disapprove. This, of course, fueled the political fires at the state level. At the outset, the Governors were in control. They

had the power to appoint whomever they liked to advisory committees. The membership of the state planning boards was purposely open-ended. It quickly became apparent though that state advisory commissions stacked in favor of the police or other interest groups were able to tilt spending priorities in their direction.

In the absence of federal guidance, the states have done their best to imagine what it is that the federal government is really looking for. But again, what has gone unsaid at the national level has been paraphrased in ways most likely to enhance the political prerogatives of the Governor and his staff. Inevitably this led to a struggle for control over LEAA funds in the state. The competition among cities and towns served to politicize law enforcement and criminal justice planning. This may have helped to stir up citizen interest; on the other hand, it also encouraged state and local politicians to jump on the law enforcement bandwagon at campaign time--muddying the waters and unduly heightening local expectations. As planning efforts became more politically charged, state and local officials were forced to overemphasize the innovative character of approved projects and to fund those efforts most likely to yield short-term, highly visible results. Neither of these two trends has done very much to focus

attention where it belongs: namely, on the need for fundamental institutional reform (i.e., changes in civil service regulations; redefinition of police and court functions; deinstitutionalization of correctional and juvenile facilities, etc.).

The failures of Congress have been well camouflaged. The Nixon administration (which has been too closely identified with the LEAA program to afford criticizing it), has pointed to the "decreasing increase in crime rates" as a measure of the program's success.⁸⁶ The Democratically controlled House Subcommittee on Legal and Monetary Affairs blamed the failures of the program on the ineptitude of the states and on the poor judgment of Justice Department officials. Other observers have listed the constant turnover in agency leadership and the original troika arrangement (designed to check the powers of former Attorney General Ramsey Clark) as the basic impediments to the program's success. If these arguments are stripped away, however, it is obvious that the basic fault lies with the Congress. The goals of the LEAA program are confused. Some states are still struggling to show how specific projects can help to lower crime rates. Other

⁸⁶LEAA Newsletter, Vol. 2, No. 7, July 1972, p. 1.

states continue to channel LEAA funds into social service projects with no more chance of curing poverty and inequality than whole-hearted national efforts of an earlier decade.

In the absence of federally defined measures of success, the states and cities are bound to feud over criteria for project refunding and continuation. As long as innovation rather than reform is touted as the program's objective, the chances of putting money where it will do the most good are relatively small. In the final analysis, Massachusetts has no choice but to justify its major city strategy in bald political terms. The decision to drop all but a handful of the largest cities and towns could not be justified by anything contained in the enabling federal legislation. Unless Congress clarifies its intentions with regard to the LEAA program the battle over funding priorities is likely to be won on totally political grounds, minimizing still further the chances that groups out of power have of influencing resource allocation decisions.

Breaking Through Entrenched Relationships in State and Local Government and Advancing the Cause of Regional Planning

Many constructive proposals have been put forward regarding reforms that have long been needed in the criminal

justice system. Although Congress has not been particularly helpful in providing such direction, the President's Commission on Law Enforcement and the Administration of Justice and the Advisory Commission on Intergovernmental Relations have developed long lists of carefully researched recommendations.⁸⁷ In the area of court reform, they have identified the need for simplified and unified court structures, the abolition of lower courts of limited jurisdiction, the promulgation of uniform rules of practice and procedure, and the need for new recruitment, testing, and training programs to prepare administrative personnel capable of handling drastically improved management systems.⁸⁸ In the correctional field, there has been a long-standing need for a shift from custodial to rehabilitative care as well as a call for substantial upgrading of personnel and facilities. The corrections system has always been badly fragmented and isolated both physically and admini-

⁸⁷President's Commission on Law Enforcement and Administration of Justice, The Challenge of Crime in a Free Society (Washington: U.S. Government Printing Office, 1967), Chapter 13, pp. 279-292; Advisory Commission on Intergovernmental Relations, State-Local Relations in the Criminal Justice System (Washington: U.S. Government Printing Office, 1971). Also see ACIR reports on Court Reform, Police Reform, Correctional Reform, undated.

⁸⁸Court Reform, op. cit., pp. 1-2.

stratively from the police, the courts, and prosecution. Individual municipalities have not been able to afford qualified correctional personnel or to develop rehabilitative programs. Regionalized approaches to corrections (which have been suggested as one way of establishing a fiscal base and a client population large enough to enable progressive rehabilitation programs) have not succeeded.

The police task force of the President's Commission outlined various problems plaguing local police departments, suggesting that "existing selection requirements and procedures in the majority of departments . . . [have] not screen[ed] out the unfit." It is not surprising, therefore, that far too many of those charged with the protection of life and property "are not respected by their fellow officers and are incompetent, corrupt, or abusive."⁸⁹ Educational requirements for the police have been minimal and even in instances where police departments have employed more rigorous selection standards, they have tended to hinder rather than to enhance recruitment efforts.⁹⁰ Closely related to the

⁸⁹Police Reform, op. cit., pp. 1-].

⁹⁰Ibid.

problem of recruitment is the issue of training. There have been recommendations for reforms of all sorts, but the sorry fact is that the LEAA program has not been a suitable vehicle for addressing any of these needs.⁹¹

A review of LEAA annual reports indicates that the most common items purchased by police departments under the Safe Streets Program have been crime labs, computers, communications gear and helicopters.⁹² LEAA's hardware orientation has been criticized in many quarters; unfortunately, the most outspoken opponents of the program have missed the point. They have not been able to explain why meaningful reforms in the criminal justice system have not been forthcoming. One possibility, rarely mentioned, is that the block grant approach to federal grants-in-aid may be the wrong device for breaking through the entrenched relationships that continue to nourish traditional approaches to law enforcement and

⁹¹James F. Ahern, Police in Trouble (New York: Atherton Press, 1972), pp. 233-238. Ahern, former police chief of New Haven, has spelled out in detail the failures of the LEAA program and has suggested alternative strategies for federal intervention in the law enforcement field.

⁹²Nick Kotz and Bob Woodward, "U.S. Adrift in Crime Fight," The Washington Post, July 23, 1972.

criminal justice. Traditional agencies prefer to use LEAA funds for hardware rather than to open themselves up to reforms that might threaten job security or confuse existing lines of authority. Certainly part of the problem of institutional reform has been the inability of state planning agencies to shake the foundations of timeworn criminal justice institutions.

In this regard, the history of the LEAA program in Massachusetts is instructive for several reasons. First, Massachusetts has been one of the few states to implement at least a few important reforms. On the other hand, Massachusetts has tried and failed to promote a regionalized approach to criminal justice planning. Success in the first instance was achieved through the able and creative leadership of the Commissioner of the State's Youth Services Department and through a strategy of compromise that enabled the Governor's Committee to build upon the strengths of an existing state agency. The demise of the regional planning effort in the Commonwealth points up the dangers of trying to implement governmental reform without first understanding the nature of the existing institutional structure. Still a third case involving the Roxbury Defenders illustrates quite plainly the folly of trying to implement reforms

from the "outside" -- especially reforms which threaten those in power. All three examples suggest basic flaws in the block grant approach to criminal justice planning.

Programs in Massachusetts aimed at combatting juvenile delinquency and diverting delinquent youths from the conventional justice system received more than \$2 million in LEAA funds from 1969 to 1971 (including over \$500,000 in discretionary support). Most of the money was used to underwrite the efforts of Youth Services Commissioner, Jerome Miller, whose desire to close down correctional facilities in favor of community-based residential centers for delinquent youth was not extremely popular with the state legislature. In fact, his entire program would not have been feasible without LEAA support. The initial availability of LEAA funding in Massachusetts coincided with Commissioner Miller's original appointment. Prior to leaving at the end of 1972, Miller was able to use the Governor's Committee funds whenever the legislature was unwilling to finance his ideas.

To the extent that juvenile diversion and community resource development efforts initiated by the Governor's Committee work, it was primarily because they meshed with

Miller's overall approach to juvenile justice reform in the Commonwealth. There was some pulling and tugging back and forth between the Commissioner and the staff of the Governor's Committee; nonetheless they served each other well. Five Youth Resources Bureaus (YRB's) begun in 1969-1970 provided a mechanism for coordinating services for delinquent youths in Brockton, Cambridge, New Bedford, Springfield, and Worcester. The Youth Resources Bureaus originally shared the model of diagnosis, treatment by referral, and follow-up outlined by the President's Crime Commission.⁹³ As the bureaus evolved in response to local problems they found it necessary to collaborate with other youth-related institutions in an effort to alter the overall pattern of agency interaction with delinquents and pre-delinquents.⁹⁴ The hope was that these bureaus would divert significant numbers of juveniles from the justice system and help to reduce the number of young people referred for court action by the police. While still in their early stages,

⁹³Commonwealth of Massachusetts, 1972 Comprehensive Criminal Justice Plan, Governor's Committee on Law Enforcement and the Administration of Justice, p. C-30.

⁹⁴Ibid.

they have already given strong indication of bringing about important changes.⁹⁵

An additional \$365,000 in block grant money was used to support residential centers in Boston, Lynn, New Bedford, and Springfield. Of the four community centers funded in 1971, two are currently in operation and two are soon to open. Clients have been referred to the centers by the Department of Youth Services, the courts, the police, as well as private agencies. In addition to counselling delinquents, resident staff workers have made contact with entire families in an effort to cope with more deeply-rooted problems. Both the YRB's and the residential centers have been sustained by the support of the Department of Youth Services.⁹⁶

The Governor's Committee provided almost \$850,000 in 1969-71 to help the Department of Youth Services manage

⁹⁵Law and Disorder III (draft), op. cit., Chapter IV, p. 23.

⁹⁶The Youth Services Department operates its own grant-in-aid program with funds provided by various federal agencies. DYS has been involved in a great many community-based programs that go well beyond just LEAA-funded operations. See Josephine Lambert and Deborah Drew, "Final Report: Youth Resource Bureau Technical Assistance Program," Governor's Committee, June 20, 1972, for a more complete discussion of LEAA's YRB effort.

its operations and reorganize its programs. In 1972 DYS received \$1,000,000 in LEAA funds. This money was awarded as a flat grant. LEAA found something good that it wanted to hang on to, especially since the YRB-DYS effort received very high praise in Washington. This was important to the SPA which was straining to build its own credibility with the central LEAA office. On the other hand, the Division of Youth Services extracted a fine price for its non-interference in LEAA-funded efforts--\$1,000,000 in 1972 alone. What it boils down to is that the Governor's Committee found a strong and able ally (in an existing state agency), an agency that was able to make things happen. Whatever institutional reform occurred can be credited to working through the existing system (albeit under the rather special circumstance of creative and far-sighted state leadership). The fact that Commissioner Miller served as a member of the Governor's Committee was incidental. Understandably, he would have preferred to retain complete control over all juvenile justice programs in the state as well as final say over the preparation of portions of the LEAA annual plan dealing with juvenile delinquency. The LEAA staff, however, was not willing to relinquish such control. Both agencies carried staff specialists with a similar range of skills. In fact, staff members

moved from one agency to the other. By working out an acceptable compromise with Commissioner Miller, LEAA was able to guarantee long-term support for its juvenile justice projects. Miller, on the other hand, used LEAA funds to put the state legislature over a barrel. By late 1972, Massachusetts was well on its way to shutting down all traditional juvenile correction facilities in the state and building an alternative system with LEAA funds. Eventually the state legislature will have no choice but to go along; in the meantime, LEAA has given the Department of Youth Services a way of dealing with staunch opposition at the state and local level.

This suggests that line agencies can help to spur innovative projects that depend in part on official cooperation. An executive agency such as the Governor's Committee must forge alliances. In some instances, executive agencies may have to pay a high price for the support they need. In the final analysis, it might have been more efficient to channel federal funds directly into the Youth Services Department. At least that would have been one way of eliminating the wasteful duplication of personnel at the state level. While LEAA was setting up another set of community advisory committees to oversee juvenile delinquency operations at the local level, DYS had already moved to put such bodies into effect (although they had

little success). Again, this duplication cost a great deal (especially in terms of community credibility) and accomplished very little. Finally, while DYS seriously began to regionalize its activities, LEAA limited its scope primarily to a few large cities. If in the long run, LEAA-funded projects have to depend on state support for survival, the lack of regional endorsement will be very hard to overcome.

One interesting sidelight is that DYS was forced on occasion to defer to the Governor's Committee even when professional judgement suggested another course. One instance of this is the case of D.A.R.E. (Dynamic Action Residence Enterprise), Inc., an organization headed by Gerald Wright. D.A.R.E. set up numerous community residences for young men just out of correctional institutions. Wright received funds from the Department of Youth Services as well as the state's Division of Child Guardianship for the support of residence programs in Boston, Cambridge, Brookline, and elsewhere. In 1969-1970 he also received assistance from the Governor's Committee. Toward the end of 1970, however, his relationship with the Governor's Committee began to deteriorate. The Committee decided to sponsor a statewide program of residential treatment centers and Wright was in the way. There

were two issues at stake; first, whether or not the Governor's Committee would support continuing programs (someone else's) or only help to initiate new projects (for which they could take all the credit); and second, whether the Governor's Committee would involve D.A.R.E., Inc., in the effort to design a statewide program. In 1971 William Kramer, then Deputy Director of the Governor's Committee, decided that the D.A.R.E. program was not being run effectively.⁹⁷ When the Governor's Committee wanted to hire an outside consultant to help design the statewide residential treatment program, Wright, who had the qualifications, was passed over for the job. He subsequently challenged the Committee's choice of consultants and argued publicly that the task could best be handled by D.A.R.E., Inc. (which needed the money). From then on, there was no chance of reconciliation. Wright pushed hard, using Gwenn Jefferson and other members of the Governor's Committee to win a short-term continuation of project funding, but basically the Committee staff did its best to sabotage his efforts.⁹⁸ They switched the

⁹⁷See correspondence between Gerald Wright, Arnold Rosenfeld, and other members of the Governor's Committee staff including about thirty or more letters and memoranda written during the period of January 29, 1970 through May 19, 1971.

⁹⁸Letter from Gwendolyn Jefferson to Arnold Rosenfeld dated August 26, 1971.

residential youth center program into a non-competitive grant category, forcing Wright to deal with the Boston Office of Justice Administration (which had to dip into its overall annual allocation to help keep Wright's operation afloat). When that failed to stop him, the staff tried to foist him off on the Department of Youth Services (forcing them to pick up the tab for D.A.R.E.'s operations as part of their overall LEAA appropriation). The more Wright persisted, the more the staff was determined to sever their connections with him. Throughout this process, Commissioner Miller's support for Wright never flagged--to some extent, Wright's activities have helped to light the path of deinstitutionalization that Miller was following. Yet, Miller did not or could not bully the Governor's Committee into supporting Wright's operation. He might have jeopardized his own delicate arrangement with the Committee. D.A.R.E. survived with other help, and in fact, has continued to work with DYS. In this instance, institutionalization and innovation were the farthest things from the minds of the Governor's Committee staff; the issue was solely one of personalities. Wright felt he should have been invited to play a major role in the development of the statewide program; the staff was determined to get him out of their hair. The key point is that Miller was not able to intervene in

Wright's behalf even though DYS endorsed the D.A.R.E. program. Perhaps this is not an overwhelmingly important point; D.A.R.E. survived and the Governor's Committee did in fact institute a community-based program for juvenile offenders, but it does suggest that the state planning agency was able to extract concessions from a powerful line agency by using the leverage of LEAA funds.

The question of regionalization, raised earlier in conjunction with the DYS program, requires further elaboration. The Governor's Committee had great difficulty formulating a response to Section 303 (as amended) of the LEAA legislation which states that

no state plan shall be approved as comprehensive unless the administration finds that the Plan provides for the allocation of adequate assistance to deal with law enforcement problems in areas characterized by both high crime incidence and high law enforcement activity.

The Committee's tragic relationship to a number of regional planning agencies in the state best illustrates this point.

Toward the end of 1970, William Toole, Executive Director of the Southeastern Regional Planning and Economic Development District (SRPEDD) was notified that his request for additional LEAA planning funds would not be approved. The reasons given were first, the Committee's recently adopted policy of placing priority on its planning and action

programs in high crime areas and in urban centers; second, the structure of the regional planning agency (similar to that of all regional planning agencies in Massachusetts) which allegedly "had no relationship to law enforcement or criminal justice problems"; third, SRPEDD's failure to elicit project proposals from its thirty member communities; and fourth, what the state felt was inadequate staff capability in the area of criminal justice planning.⁹⁹ In the end, SRPEDD lost the battle, as did all the regional planning agencies in Massachusetts, but the official position taken by the Governor's Committee was never presented very convincingly and a residue of ill will still lingers.

Toole's rebuttal to the Governor's Committee pointed out that:

- (1) The amendments to the Crime Control Act did not say that all money had to go to major cities, nor did it imply that all assistance had to be channeled directly to the cities (as opposed to going through regional planning agencies);
- (2) The causes of crime while not necessarily regional in nature, certainly lent themselves to regional solutions;
- (3) F.B.I. figures indicated (even at that time) that crime rates were increasing more rapidly in suburban and rural communities than in urban centers;

⁹⁹Letter from Arnold Rosenfeld to William Toole dated January 6, 1971.

- (4) Planning for housing, transportation, recreational needs, economic development, and community facilities (which traditionally had fallen to the regional planning agencies) was clearly related to planning for law enforcement and criminal justice. Moreover, SRPEDD has a special Law Enforcement Supervisory Committee which included representatives of local police, courts, and other law enforcement agencies.
- (5) In trying to serve its member communities, the regional planning agency attempted on numerous occasions to have some input into the annual state comprehensive plan, but found it impossible to penetrate the closed shop at the Governor's Committee;
- (6) SRPEDD did not see as its first and foremost goal the formulation of specific grant applications. Rather it viewed the initial stages of planning more in terms of inventorying local criminal justice needs and resources and prodding member communities in an effort to formulate goals and policies to help guide the regional planning effort;
- (7) Contrary to the Committee's interpretation, SRPEDD had an on-going relationship with New Bedford and Fall River (the two largest cities in the Southeast Regional District);
- (8) The needs identified by SRPEDD's regional inventory were not covered in the Committee's competitive grant shopping list for 1970-1971. Thus, grant applications were not submitted on behalf of the smaller towns in the area since their priorities apparently were of little interest to the state planning agency;
- (9) SRPEDD had been in the criminal justice planning business for only a year and a half when the Governor's Committee decided that the agency did not have sufficient staff capability to carry out comprehensive planning, programming, and technical assistance. Yet, SRPEDD had accomplished far more in that short time than some of the larger cities which the Governor's Committee ultimately decided were in the best position to utilize LEAA funds;
- (10) The Committee turned down SRPEDD's request for additional planning funds needed to hire a full time staff specialist in criminal justice planning at the same time as they criticized the regional agency for its lack of technical expertise;

- (11) The Committee's complaints about the use of consultants seemed hard to justify in the face of state reliance on consultants for very similar work in the start-up phases of its operations.¹⁰⁰

Regional planning agencies in Massachusetts do not have a long and glorious history of accomplishment. At best, they have provided a rather clumsy vehicle for the preparation of comprehensive land use plans and the disposition of area-wide reviews required by various federal programs. Nevertheless, at the time the Governor's Committee snubbed them so unceremoniously, the regional planning agencies represented the only available mechanism for area-wide planning in the state. Moreover, they had shown an ability in at least a few instances to develop working ties between cities and suburban communities in areas such as solid waste disposal and transportation, while the state had been unable to accomplish as much. How then did the Governor's Committee justify its decision to abandon regional planning agencies after only a year and a half?

The Committee staff misunderstood the nature of sub-state regional planning. They assumed that they would have no trouble converting these all-purpose agencies into extensions of the Governor's Committee (in much the same way as

¹⁰⁰Letter from William Toole to Arnold Rosenfeld dated January 20, 1971.

they tried to dominate the development of local planning agencies). Second, they exacerbated an already difficult situation by offering little if any direction at the outset. For example, had the state required SRPEDD to hire a full time criminal justice planner as a precondition for its first planning grant, many of the state's later objections would not have arisen. Third, the all-consuming major city strategy blinded the staff to the need for a balanced approach. Perhaps, more than anything else, it was the regional planning agency's unwillingness to spend 90% of its time dealing with the problems of one or two central cities that aggravated the state planning agency. In Massachusetts big cities along with all the other member communities have only one vote on a regional planning commission (representation is obviously not based on population). There was bound to be conflict over how staff time would be spent. Besides, as soon as the cities discovered that they were eligible to receive their own grants, there was no incentive for them to work through the regional planning agency. Thus, the Governor's Committee espoused a self-fulfilling prophecy. By wooing the cities directly, they guaranteed that the regional planning agencies would never be able to work effectively with the large target cities. Moreover, as long as the state failed to take account of the needs of smaller

suburban and rural communities, there was little incentive for member communities to endorse significant investment of staff time in LEAA related activities.

The SPA hoped to work out from the six or seven target cities--building metropolitan collaboration step by step. Such a plan was bound to fail; not only because the Governor's Committee was competing with existing regional planning agencies (which had much more to offer suburban communities in the way of federal dollars), but also because after five years of big city favoritism the Governor's Committee had little if any credibility in the suburbs. Even if the major city strategy was justified, there was no reason to drop the regional planning effort altogether. A more balanced approach in the short run, even if somewhat ineffective, would have allowed the Committee to keep its options open.

In many other states, county governments play an important role in the LEAA program, adjudicating local grant applications and apportioning a fixed percentage of the total block grant awarded to the state. In Massachusetts, county government performs almost no role in the political life of its citizens. Although there may be some advantage to having one less layer of bureaucracy inserted

between the big cities (which clearly need assistance) and the state planning agency, counties have in some other states been able to accomplish more in the way of inter-agency and area-wide cooperation than the state planning agencies.¹⁰¹ In the long run, because county government has not been important in Massachusetts, it would have made even more sense to utilize the existing regional planning agencies to catalyze metropolitan and area-wide planning efforts.

A third perspective on strategies for institutionalizing LEAA projects is provided by the Roxbury Defenders program. The objectives of this effort were to create a public defender's office in the Roxbury-Dorchester area which would provide legal services in criminal cases and through limiting its caseload provide full and complete services to its client community. The Defenders provide legal advice without first being appointed by the court. They also provide in-house or by referral, related social

¹⁰¹Michael Milakovich, The Politics of Block Grant Law Enforcement Assistance: A Study of the Impact of the Omnibus Crime Control Act on Local Government Agencies, unpublished Ph.D. dissertation, Indiana University, Political Science, 1971. Also see the discussion concerning South Carolina in Law and Disorder III (draft), op. cit., Chapter IV.

services.¹⁰² The project was part of a multi-year strategy aimed at improving both the image and the actual processes in the lower criminal courts.

The primary emphasis was on providing full services to indigent defendants. It was thought that the full-service approach would influence the long-standing public defenders program in Massachusetts, as well as focus public attention on the legal service needs of the poor. For maximum effect, the project was tied in to the Model Cities program and other neighborhood groups in the Roxbury area of Boston. An effort was made to ensure community involvement via an advisory board comprised of a majority of community representatives which exercised (jointly with the regular Massachusetts Defenders Committee) operating and supervisory responsibility (including control over staff hiring). The project received over \$100,000 in 1971 and \$250,000 (\$100,000 less than requested) in 1972. Although the project has been proclaimed a success by the community and the Governor's Committee, the Massachusetts Defenders Committee has not been willing to assume administrative responsibility for the Roxbury office. As it turns out,

¹⁰²1972 Comprehensive Criminal Justice Plan for Massachusetts, op. cit., p. C-19.

the Massachusetts Defenders Committee is run by lawyers who have been around a lot longer than the young crowd that staffs the Roxbury office. These old timers wanted no part of the Roxbury experiment.¹⁰³ They felt that the Roxbury effort was ill conceived from the outset, meaning that they objected to the amount of money being poured into this one project. Moreover they had little if any faith in the notion of the community advisory boards. The salaries of the Roxbury group were way out of line with the fees paid to court-appointed defenders in other parts of the state. The Committee reasoned that if the legislature wanted to assume responsibility for the Roxbury Defenders project and incorporate it into the regular defenders' program it would have to raise the salaries of all public defenders in the Commonwealth. At one time, the Massachusetts Defenders ran a Roxbury office with one man (at \$7,900). In 1972, the Roxbury Defenders had a staff of nine. One underlying point is that black lawyers had not been available at the salary level usually paid by the Massachusetts Defenders Committee. In addition, the all-black Roxbury office (where salaries were well above the average) did not appeal to the leader-

¹⁰³Interviews with Edward Rimbolt, Chief Counsel, and Frank Nowlan, Executive Secretary, Massachusetts Defenders Committee, May 24, 1972.

ship of the Defenders program.¹⁰⁴

The State Defenders' office is not likely to take over the Roxbury operation especially since the young upstarts in that office have built a reputation and community rapport of their own. Originally the lower court justices treated the Roxbury group with contempt; but that passed with time. As a one-shot experiment, the Roxbury project has been successful, but the impact on the Defenders system in general has been practically nil; moreover, the chances of the Roxbury office being assimilated into the system are minimal.

The examples cited above indicate that the LEAA program can indeed spur reform in the criminal justice system, but that most promising strategy involves the cooptation of existing line agencies. The Governor's Committee has not had the strength needed to force adoption of interesting and successful experiments conducted outside the system. LEAA funds have made it possible for a dynamic state Commissioner to barter his way out of a backward state system. In the long run the legislature will be

¹⁰⁴Ibid. One spokesman for the Massachusetts Defenders Program asked why there should not be all-Irish offices or all-Italian offices as well.

forced to come around (especially if the Department of Youth services succeeds in dismantling the entire juvenile justice system before the legislature can stop it). The same, however, can not be said for the Massachusetts Defenders Committee. By working outside normal channels, the Governor's Committee minimized its chances of success. Likewise, by spurning existing regional planning agencies, the Committee doomed to failure future efforts at regionalizing law enforcement. This is not so much a reflection on the Governor's Committee as it is on the tendency of block grants to encourage independent state agencies to circumvent the entrenched powerholders in state and local government. In the long run a categorical grant program aimed at specific reforms would probably have accomplished just as much without the attendant problems of waste and duplication. The argument that states are likely to administer federal grant-in-aid programs more effectively because they are familiar with local politics does not hold up. If anything, state governments are more likely to get involved in petty disputes because they have a tendency to remain too close to day-to-day operations at the local level. Although the Governor's Committee has been able to buy support for its efforts to reform the juvenile justice system, the price has been high and there has obviously been no

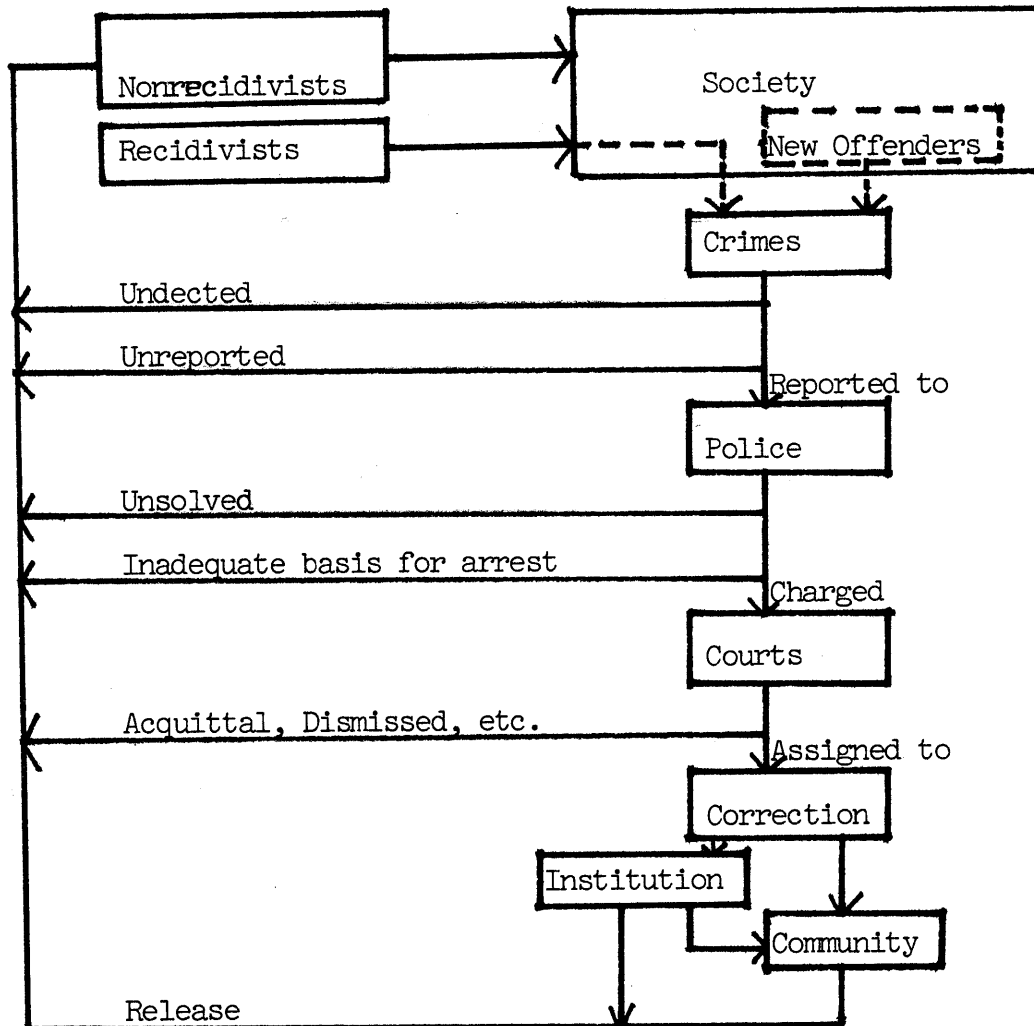
guarantee that worthwhile projects (such as D.A.R.E., Inc.) would not be dropped for the wrong reasons.

Simple Models and Measures of Reform

There is little or no agreement on how best to measure the relative effectiveness of alternative approaches to reforming the criminal justice system. To the extent that the nature of the crime problem is unclear, the relative merit of alternative solutions are difficult if not impossible to assess. Descriptions of the criminal justice system and the ways in which its various components fit together are available (see Figure III for an oversimplified model), but it has been terribly hard to invent ways of analyzing the short- and long-term costs and benefits associated with various interventions designed to enhance the system's effectiveness. In other fields, when problems of measurement seemed insurmountable, rephrasing the question often helped to break the deadlock. In this instance, perhaps the problem is to decide whether the justice system ought to be evaluated in terms of its capacity to prevent or forestall criminal activity (or even neutralize criminal tendencies) or whether it should be evaluated in terms of the efficiency with which known offenders are apprehended. In a sense, the problem may be less one of measurement than one of definition.

Figure III

THE CRIMINAL JUSTICE SYSTEM



Source: Alfred Blumstein and Richard Larson, "Analysis of a Total Criminal Justice System," in Drake et al., eds., *Analysis of Public Systems* (Cambridge: M.I.T. Press, 1972), p. 319.

If it were possible to distinguish between law enforcement and crime prevention, the chances of developing successful monitoring devices, of predicting the probable return on investments in new technology, or of anticipating costs and future manpower requirements would be greatly enhanced. Although, secondary problems including the invention of appropriate indicators and the discovery of adequate data sources would still have to be resolved.

Several attempts have been made to model the criminal justice system.¹⁰⁵ A linear model has been proposed which depicts the workload, associated personnel requirements, and the related costs incurred each step of the way following crimes of various types.¹⁰⁶ Cost projections are based on estimates of future arrest rates. A second model which can forecast the costs of a total criminal career (considering the probability of rearrests) and the consequences of alternative actions within the criminal justice system aimed at lowering recidivism probabilities,

¹⁰⁵C.G. Hazard, "The Sequence of Criminal Prosecution," Proceedings of the National Symposium on Science and Criminal Justice, June 22-23, 1966 (Washington: U.S. Government Printing Office); and D.M. McIntyre, Law Enforcement in the Metropolis (Chicago: American Bar Foundation, 1967), cited in Alfred Blumstein and Richard C. Larson, "Analysis of a Total Criminal Justice System," in Drake, et al., eds., Analysis of Public Services (Cambridge: M.I.T. Press, 1972).

¹⁰⁶R. H. Roy, "An Outline for Research in Penology," Operations Research, Vol. 12, 1964, cited in Blumstein and Larson, op. cit., p.320.

has also been suggested.¹⁰⁷ Although helpful from the standpoint of projecting future costs and manpower demands, these models are heavily constrained by the number of assumptions that need to be made regarding future arrest rates and institutional arrangements. In short, such modeling efforts have only been helpful insofar as they had exposed assumptions about the structure and operation of the justice system that still need to be tested. Perhaps over time, it will be possible to build models that take into account not only the many public and private mechanisms outside the system that play a part in controlling criminal behavior but also the deterrent effects of the criminal justice system itself.¹⁰⁸

Efforts to develop more sophisticated models have been hampered by a lack of reliable data. Data on the extent of crime, costs of operations, recidivism characteristics, arrest rates, parole violations, etc., have tended to be incomplete, unavailable, or of questionable accuracy.¹⁰⁹

¹⁰⁷"Prevention and Control of Crime and Delinquency in California," Space General Corporation, El Monte, California, July 29, 1965, cited in Blumstein and Larson, op. cit., p. 320.

¹⁰⁸Blumstein and Larson, op. cit., p. 354.

¹⁰⁹President's Commission on Law Enforcement and Administration of Justice, op. cit., p. 253.

Finally, the problems of constructing performance measures (assuming the availability of insightful models and reliable data) present serious obstacles. In areas such as law enforcement or criminal behavior, there is no way to avoid the full range of dilemmas associated with social measurement.¹¹⁰ For example, it has long been recognized that assigning equal weights to all criminal offenses included in a composite index is clearly unsatisfactory. Yet, though degrees of seriousness exist among criminal offenses, acceptable scales by which to weigh different offenses have not been created.¹¹¹

The paucity of simple models that might be used to test the efficacy of alternatives to the existing criminal justice system has had a debilitating effect on operating agencies such as the Governor's Committee. The scarcity of reliable data and the extreme difficulty involved in developing measures to monitor the impact of LEAA-funded efforts has seriously undermined the credibility of the Safe Streets Program.

¹¹⁰Albert D. Biderman, "Social Indicators and Goals," in Raymond Bauer, Social Indicators (Cambridge: M.I.T. Press, 1966), Chapter II.

¹¹¹Thorsten Sellin and Marvin Wolfgang, The Measurement of Delinquency (New York: John Wiley and Sons, 1966), especially Chapter XV.

On October 20, 1971, the Justice Department announced that a National Advisory Commission on Criminal Justice Standards and Goals would be funded through LEAA grants and contracts (totalling about \$5 million). If that Commission has been successful, the results have certainly not been well publicized. In Massachusetts, the research sponsored by the Governor's Committee (which ought to be concerned about finding ways of overcoming the difficulties mentioned above) has been directed solely at the evaluation of specific projects.¹¹² The pitfalls of evaluative research have been well documented.¹¹³ The

¹¹²The evaluative research effort has been organized around a limited number of large studies, each focusing on a cluster of related programs currently in progress or recently completed. Research has been structured around specific policy-oriented questions. Project evaluations planned for 1972 included police personnel development, police operations models, community-based corrections, Department of Youth Services deinstitutionalization, prosecution and defense improvement, and police communications systems. The total budget for research in 1969-1971 was under \$200,000, although the projected allocation for 1972 was \$300,000. Because the research has been used to inform funding and continuation decisions relative to on-going projects, the entire evaluation effort has been disruptive and has become a source of constant irritation to project directors. In general it would make more sense to separate research activities from project monitoring responsibilities.

¹¹³Carol H. Weiss, Evaluation Action Programs: Readings in Social Action and Education (Boston: Allyn and Bacon, 1972); and Irving Louis Horowitz, ed., The Use and Abuse of Social Science (New Brunswick: Transaction Books, 1971).

most serious is the danger of scholarly assessments becoming entangled in the politics of day-to-day project management. In the long run, action research (aimed at measuring the efficacy of solutions) cannot substitute for basic research (directed at enhancing public and professional understanding of a problem). If the Justice Department remains incapable of organizing the requisite research, the difficulties of justifying the existence of the Law Enforcement Assistance Administration will continue to mount. It may be necessary for each state planning agency to assume part of the responsibility; although, with the non-random distribution of skills and resources throughout the country, there may well be severe diseconomies associated with such a decentralized approach to research.

Efforts to build formal models, to simulate the behavior of various law enforcement sub-systems, and to monitor the impact of public investments in various mechanisms for reforming the criminal justice system, all have one thing in common. They require agency officials and public policy makers to define what it is they are trying to accomplish. In the end, the most serious obstacle to measuring the success or failure of the law enforcement effort will be the inability of legislators and administrators to come up with a common definition of what it is

they have been trying to accomplish within certain spending limits (where spending is measured not just in dollar terms, but in this case in terms of individual freedom as well). The disorganization and fragmentation of the LEAA research effort to date both confirms and feeds the confusion over the program's purposes and the goals of the criminal justice system.

Summary and Conclusions

The LEAA program has had no appreciable impact on the crime rate in Massachusetts (or in any other state for that matter); moreover, the agencies responsible for law enforcement and criminal justice seem to be having more trouble than ever. Decisions regarding the allocation of LEAA funds have been left pretty much up to the states. Although the Governor's Committee has altered its priorities several times during the past few years, Massachusetts has made an honest and professional attempt to distribute block grant funds in accordance with federal guidelines. In 1971, the Governor's Committee formally adopted a major city strategy aimed at channeling LEAA funds into six or seven large urban areas with relatively high crime rates. Yet, overall, city size and not crime rate best explains the pattern of grant allocations in Massachusetts from 1969 to 1971.

Almost \$17 million in action money has been spent to improve police, court, and correctional performance in the state and to combat juvenile delinquency, drugs, and other criminal offenses. Unlike many other states, Massachusetts can claim that a serious effort has been made to promote institutional reform. The Governor's Committee has not been willing to settle merely for the acquisition of hardware or machinery designed to increase police efficiency.

Among the high priority target cities, the distribution of block grant monies has been uneven. To some extent, this has been because certain municipalities have been unable to develop grant management capabilities acceptable to the staff of the state planning agency. On the other hand, middle-sized cities and smaller towns have been discouraged from submitting grant applications even when they have given every indication of possessing the capability of using LEAA funds effectively. The innovative character of grant applications has not been as important in determining the outcome of funding decisions as has the membership of the Governor's Committee (which sets the overall priorities contained in the annual state plan). These priorities and the adoption of the major city strategy reflect the strong influence not only of the dominant

actors in the criminal justice system, but also of the Attorney General and the Committee staff. The Governor has exerted very little influence over the Committee even though he controls the appointments process. The state legislature has remained oblivious to the purposes of the LEAA program.

The move away from competitive grants coincided with the shift to a major city strategy. Each high priority city (where priority was determined not just by crime rate and population, but by other factors such as the presence of a model cities program) was given an opportunity to claim an annual percentage of the overall state allocation. Each city was also asked to justify individual project proposals after each year and to restrict itself to projects falling within the priorities set annually by the Governor's Committee.

The state has failed to take advantage of existing regional planning mechanisms or to invent new ones. Thus, a funding bias in favor of big cities with professional grant management capabilities has been further reinforced while smaller cities and towns have been neglected. More than anything else, funding probabilities have hinged on local planning and grant management capabilities. Specifically,

applicants have not only had to mobilize local agencies and policy makers, to coalesce agreement around a unified approach to a particular problem, to gain support for local matching arrangements, and to develop the technical resources needed to carry out proposed tasks, but they have also had to convince the staff of the Governor's Committee that what they were proposing was innovative and matched the state's annual funding priorities. To the extent that the allocations process has not adequately reflected local needs (in the target cities as well as elsewhere) the problem can be traced back to the Committee's failure to involve local planners and criminal justice officials in the development of the state plan. The staff of the Committee has run a closed shop. This is not to say that no effort has been made to take account of local needs. The MAD squad has grappled with that responsibility very diligently. However, the strategy drafts prepared by the Governor's Committee can not possibly substitute for broader municipal participation and feedback.

The original goals of the LEAA program were relatively obscure. Thus, it is hard to say whether or not they have been met. If one objective was to spend a lot of money very quickly and to offer at the least a pretense of concern for the problems of crime and lawlessness, then

that objective has been met. If the goal was to reduce crime, the program has failed. But under the best of circumstances, there was not nearly enough money (insofar as money could have made a difference) to significantly reduce crime rates in a single city or town. The fact is, that LEAA allocations have amounted to only a drop in the bucket compared to overall state and local appropriations for law enforcement and criminal justice. Without significant reforms in the system, LEAA funds could not possibly have counteracted the impact of normal spending. If the goal of the LEAA program was to reform the criminal justice system, then it has failed, but not completely. The effort to institutionalize innovative ideas or reforms and to influence day-to-day operations of the police, the courts, and correctional facilities has been impeded by (1) a lack of citizen involvement and community participation in the definition of local criminal justice needs and in the formulation and implementation of actual projects; (2) the inability of the Governor's Committee to break through entrenched power relationships at the state and local level (except in the unusual case of the Department of Youth Services); (3) the difficulties involved in developing a professional planning capability at the local level and of transferring major planning and programming responsibilities from the state to the cities and towns; and (4) the mistrust and suspicion generated by the lack

of Congressional leadership which seriously undermined state-local relationships. In the few instances where reform has taken hold, the key factors have been strong and creative leadership within existing line agencies and decentralization of responsibility for project planning and implementation.

The LEAA experience in Massachusetts suggests that there are a number of problems with block grants:

- (1) State agencies are not likely to have any better sense of local needs than the national government. If anything, the psychological distance between Washington and most cities and towns is an advantage.

State governments are close enough to want tight control over local activities, while Washington agencies, once they have finished fussing over eligibility requirements, are prepared to let municipalities stand or fall on their own. A meddling state agency not only confuses matters, but also retards the development of local capabilities.

- (2) States are likely to use block grants to establish bureaucratic equivalents of analogous federal agencies. Especially when funds are channeled through executive offices at the state level, there is a strong possibility that line agency capabilities will be duplicated, thereby wasting federal dollars.
- (3) Without explicit national guidelines (which ought to be built into enabling legislation and not administrative regulations) the states do not have sufficient credibility with the cities to back up funding priorities. To the extent that block grants imply a lessening of national direction and control, they can kick off a series of arguments between cities and state agencies regarding the choice of evaluative criteria by which to judge local needs and to evaluate the relative impact of particular projects.

- (4) Middle-sized cities and small towns are not likely to receive an equitable share of block grant funds because they lack the management capabilities needed to impress state agency staff. It appears that a high level of grantsmanship is as necessary to shaking the state "money tree" as it is to winning grants from Washington.
- (5) Annual grant competitions at the state level militate against effective citizen involvement. Unless cities are guaranteed a pre-arranged share of the state funds, it is difficult to generate local enthusiasm. Moreover, citizen participation is a long and drawn out process that cannot be manipulated to meet artificial deadlines.
- (6) The failure to require a hard cash match at the state level has minimized the involvement of state legislators and thereby limited their knowledge of the LEAA program. Without their involvement not only has information been bottled up at the state level, but there has been no way of ensuring public accountability. Although legislative involvement might tend to politicize the grant allocation process somewhat more than is desirable, it would at least guarantee that the staff of the state planning agency, which presently enjoys unbelievable autonomy, would have to account for its actions.
- (7) The emphasis on innovation seems counterproductive. Putting aside the fact that it is almost impossible to agree on what is innovative and what is not, the prejudice against using block grant funds to sustain on-going operations can seriously curtail reform efforts (assuming that reform can come about by working within the existing system).
- (8) As long as the states have the final say, basic research needs will be neglected. In an action setting, interest centers around evaluation and the assessment of specific projects. Although evaluative research is necessary, it cannot substitute for basic research aimed at clarifying underlying issues and at exploring alternative problem definitions.

Chapter IV: The Partnership for Health Program
--314(d) in Massachusetts

Under the Partnership for Health Act of 1966, sixteen categorical grants-in-aid were consolidated into a single block grant to the states. Reacting to the charge that categorical grants were too restrictive and led to a narrow focus on disease rather than a more general concern for client needs, Congress increased the latitude allowed each state in addressing health problems and in setting priorities for the allocation of federal funds. Section 314(d) of the Act established a formula grant eliminating separate allocations for tuberculosis control, heart disease control, venereal disease control, cancer control, chronic disease services, mental health services, home health services, dental health services, radiological health services, and general public health services.

Underlying the push for decategorization was an attempt to build a more effective partnership between the national government and the states. Plans for the allocation of 314(d) money were to be approved by a single state agency empowered to formulate a comprehensive health plan for the entire state. Improvements in the states' health planning capabilities, it was argued, would justify the increased decision-making responsibility relinquished by the Congress.

Five years later, in 1972, state public health officers admitted that they had not been able to institute significant improvements or reforms under the Partnership for Health. They argued that this had more to do with the lack of new money provided under 314(d) than with the decategorization of health grants. The evidence suggests, however, that most states used block grant monies in precisely the same way as they had used the earlier categorical grants. The addition of two key spending controls (namely a mandatory 70% pass-through for local health services and a 15% allocation specifically for mental health) accomplished very little. In Massachusetts, while the mental health department managed occasionally to channel 314(d) funds into interesting community-oriented projects, the funds, for the most part, were squandered. The public health department

used its block grant funds almost exclusively to underwrite expenditures that should have been covered by normal state appropriations. Neither the comprehensive health planning agency charged with overseeing the Partnership for Health Program nor the areawide health planning bodies also established under the 314 program played an active role in monitoring or initiating 314(d) projects.

The public health department clearly did not use 314(d) funds in the manner intended by Congress. This raises the serious question of accountability. Secondly, 314(d) funds did not contribute in the least to the development of comprehensive health planning capabilities at the state, sub-state, or local levels. The hoped-for partnership (between the various levels of government and between public and private participants in the health care system) failed to materialize. Finally, the lessening of federal restrictions on public health grants enabled the state to set up a federal "slush fund" and to hold down normal state allocations for health services.

Most cities and towns remained uninformed about the existence of the 314(d) program even though 70% of the block grant funds were supposed to be allocated for improvements in community health services. Although state funds were used every year to meet federal matching requirements, the state legislature had little if any involvement in the program.

In 1970, 100 million dollars was spent on 314(d) programs in the United States, almost 2 million dollars in Massachusetts. There are few if any accomplishments to recount. In short, the results do not speak well for decategorization or for the block grant approach to intergovernmental fiscal transfers.

Comprehensive Health Planning and 314(d) in Massachusetts:
An Overview

In November, 1966, Congress enacted Public Law 89-749, The Comprehensive Health Planning and Public Health Services Amendments of 1966, better known as the Partnership for Health. In December, 1967, the law was amended (90-174)-- extending the period of authorization (see Chapter II). The Partnership for Health provided the impetus for comprehensive health planning in the United States as well as substantial and long-awaited revisions in the way grants for public health and mental health services were administered.¹

¹In 1961 The Advisory Commission on Intergovernmental Relations issued a report entitled, "Modification of Federal Grants-in-aid for Public Health Services" (Washington: U.S. Government Printing Office). The report acknowledged that categorical grants for public health services (which had been in effect since 1935) had become permanently supportive rather than stimulative; increased flexibility should be provided for the states; and amalgamation of those grants related to the general operation of public health agencies was desirable. The Commission, after reviewing all the possibilities, decided that it did not favor the substitution of a single block grant for the existing categorical grants. ACIR did suggest, however, that legislation be enacted amending the Public Health Services Act of 1944 and authorizing, at the discretion of the Governor, the transfer of up to one-third of the funds in any one grant category to other categorical programs. It was suggested that this flexibility should apply to categorical grants for general health assistance, venereal disease control, cancer control, heart disease control, and tuberculosis control.

The Commission listed ten reasons why it was not recommending a switch to block grants: (1) block grants require larger federal outlays than categorical aids since they broaden programmatic objectives and increase the number of eligible recipients; (2) they encompass program

In enacting the Partnership for Health, Congress declared that

fulfillment of our national purpose depends on promoting and assuring the highest level of health attainable for every person, in an environment which contributes positively to healthful individual and family living; that attainment of this goal depends on effective partnership, involving close inter-governmental collaboration, official and voluntary efforts, and participation of individuals and organizations; and that Federal financial assistance must be directed to support the marshalling of all health resources--national, state and local--to assure comprehensive health services of high quality for every person.²

areas broader than the sum of the categorical aids thereby widening the area of application of national standards and increasing national control over state affairs; (3) they enforce a centralization of state administrative organization in the interest of simplifying national audit and review of block grant program funds; (4) they impair the application of sanctions for state failure to act to meet national objectives; (5) they dilute national objectives sought by the Congress since the aids are not specifically directed toward specific ends; (6) they reduce the number of appropriation items and may make an appropriation appear large in terms of the vaguely defined need; (7) they do not, in the end, lessen the need for categorical aids--a specific national problem still requires the introduction of a new categorical program to obtain an immediate allocation of state funds for that purpose; (8) the transition from categorical to block grants requires an increase in federal funds to assure that no state loses any funds and that all states are brought up to a minimum level; (9) they do not ensure or even encourage the uniform development of programs on a nation-wide basis; (10) they are not likely to stimulate the appropriation of state and local funds for development of programs to meet new problems of national concern.

²Comprehensive Health Planning and Public Health Services Amendments of 1966, Section 2. In part, the background for these policies can be found in the series of reports prepared beginning in 1965 by the National Commission on Community Health Services. The Commission was created by the American Public Health Association and the National Health Council. Six separate task forces worked to develop policy recommendations in the areas of Environmental Health; Comprehensive Personal Health Services; Health Manpower; Health Care Facilities; Financing Community Health Services and Facilities; and the Organiza-

In addition,

to carry out such purposes, and recognizing the changing character of health problems the Congress finds that comprehensive planning for health services, health manpower, and health facilities is essential at every level of government; that desirable administration requires strengthening the leadership and capacities of state health agencies; and that support of health services provided people in their communities should be broadened and made more flexible.³

Five major provisions of public law 89-749 were aimed directly at achieving these goals. Two provisions dealt with comprehensive health planning and three with the provision of federal funds for public health and mental health services, the training of comprehensive health planners, and demonstration projects:

- (1) Statewide comprehensive health planning: Federal funds were provided under section 314(a) for the establishment of a single agency in each state to coordinate comprehensive health planning efforts. Each "a" agency was responsible for the development of a comprehensive health plan (indicating both the public and private facilities and the

tion of Community Health Services. Twenty-one community self-studies provided the background data. See the summary report, Health is a Community Affair (Cambridge: Harvard University Press, 1967) and the task force reports which were published by Public Affairs Press, Washington, D.C., 1967.

³Ibid.

manpower needed to provide the necessary range and level of services). Each state agency was charged with the task of encouraging cooperation among governmental and non-governmental organizations and groups. In addition, this section of the law provided for the establishment of a state health planning council with a membership composed of a majority of "consumers" of health services (defined by the Surgeon General as those who live where health problems exist) along with representatives of major provider groups. These councils were set up to advise the state 314(a) agencies in the preparation and implementation of federally approved comprehensive health plans.

- (2) Areawide comprehensive health planning: The second major provision of the law, contained in section 314(b), focused on the need for comprehensive health planning at the areawide (sub-state) level. Federal funds were set aside for public or non-profit private agencies engaged in organizational or actual comprehensive health planning efforts. A private agency, in order to be eligible for 314(b) funds, had to have a majority of "consumers" on its board of directors. Public agencies had to have advisory councils that met the same test. Applications for federal support under this section were to be reviewed and approved by the appropriate 314(a) agency. The grants, it was assumed, would extend and expand the successful areawide health facilities

planning experiences of the Hill-Burton program.⁴ Two other provisions of the Act outlined the ways in which federal funds for the support of comprehensive health services would be administered:

- (3) Block grants for comprehensive health services: Section 314(d) provided for the elimination of the traditional categorical grants that funnelled federal money into state public and mental health departments, and called instead for consolidated block grants. Beginning in 1935, federal funds were awarded along categorical of "disease" lines--for example, for the control of tuberculosis, venereal disease, heart disease, and cancer. State and territorial health officers had objected to the rigidity of the categorical grant system. Funds not utilized in one category could not be transferred to another. In response to such charges, Congress decided to allow the states to identify their own health needs, to develop their own health plans, and to utilize federal funds as they saw fit. Plans for the use of 314(d) money were to be reviewed by the "a" agency in order to ensure conformance with the state's comprehensive health plan.

⁴For a review of the organizational problems encountered by 314(b) agencies see Lana B. Stone, From Organization to Operation: The Evolving Areawide Comprehensive Health Planning Scene (Minneapolis: Health Service Research Center, 1969).

Federal shares were to be determined annually using the average per capita income and population for each state. The federal share would range from 33-1/3% of the costs in states with the highest per capita income to 66-2/3% for states with the lowest per capita income. The funds were to be used "to make a significant contribution toward providing public health services in the various political subdivisions of the state." (This was subsequently amended to require a mandatory 70% pass-through to cities and towns.)

- (4) Project grants for health services development:
 The second service program, covered by Section 314(e), had to do with the awarding of grants for the development of health services. These funds were to be made available to any public or non-profit private agency involved in the provision of health services. Such project grants had traditionally been a catch-all source of support for academic, private, and research groups. Again, grant applications for 314(e) money were to be reviewed by the "a" agency for conformance with the state plan.⁵

⁵Department of Health, Education, and Welfare, A Directory of Selected Health Services Funded Under Section 314(e) of the Public Health Service Act, May, 1971. In Massachusetts, 314(e) funds were used to support the Massachusetts Health Research Institute (Clinical Laboratory Improvement and Evaluation in the Commonwealth of Massachusetts); The Harvard Community Health Plan, Inc.; and The Ecumenical Center in Roxbury (Community Health Education Project; The Outreach Program for the Problem Drinker).

- (5) Grants for training, studies, and demonstrations:
The last major provision of the Act, Section 314(c), provided federal funds for the support of training programs, studies, and demonstration projects. These funds were to be used to support academic centers throughout the country in developing curricula, degree programs, and continuing educational opportunities for comprehensive health planners. These funds were designed particularly to ensure that the manpower needed to staff comprehensive health planning agencies at both the state and areawide levels would be available.⁶

The Partnership for Health Act was passed in the last days of the 89th Congress, just after the Titles 18 and 19 of the Social Security Act (medicare and Medicaid) had been approved. Although there was not enough time to hold the necessary Congressional hearings, it was agreed to pass the law and wait until the following session to approve the necessary appropriations. As a result, the program did not become operational until 1967.

The passage of the 314 program marked the first time that the health care system in the United States was viewed as

⁶For a national listing of 314(c) programs see Reference Guide to Educational Opportunities in Health Planning (Minneapolis: Health Service Research Center, April, 1970).

a complex set of inter-related parts. In order to make comprehensive health planning possible, physical, mental, and environmental health problems had to be attacked simultaneously. In addition, the relationship of health to a whole series of other factors including housing, education, occupation, welfare, transportation and recreation was emphasized for the first time.⁷ The introduction of the consumer (as a full partner) was also an important step in pulling together the public and private fragments of the health care system. Finally, the realignment of intergovernmental responsibilities for the planning and implementation of health services was accepted as an essential component of the comprehensive health planning activities envisioned by the Partnership for Health legislation.

On June 23, 1967, Massachusetts Governor John Volpe designated the Executive Office of Administration and Finance as the state agency to administer comprehensive health

⁷A more detailed exploration of these interrelationships can be found in the MIT-Harvard Joint Center for Urban Studies report, Planning for Health Services and Facilities and Its Relationship to City and Regional Planning Activities (Cambridge, 1967), especially in William W. Nash, "An Overview: Forging Effective Links Between Health Services and Facility Planning and City and Regional Planning," pp. B1-B82.

planning funds in Massachusetts.⁸ The Executive Office of Administration and Finance was assigned the task of coordinating health planning activities in consultation with the Departments of Public Health, Mental Health, Public Welfare, Education, Natural Resources, as well as private and voluntary health agencies. The hope was that the designation of the central state planning agency (which reported directly to the Commissioner of Administration and to the Governor) would facilitate inter-departmental communications and joint planning activities.

A state health planning advisory council was appointed. Council members were selected to represent various state agencies as well as non-governmental groups. (See Figure IV). A majority of the Council members were consumers whose major occupation involved neither the administration of health services nor the provision of health care. The Council was required to meet several times a year. Appointments were made by the Governor, and Council members were organized into a series of task forces (dealing with health facilities, health information systems, health

⁸Letter of designation from Governor John Volpe to Secretary of Health, Education, and Welfare, John Gardner, June 23, 1967.

Figure IV

OFFICE OF COMPREHENSIVE HEALTH PLANNING

Advisory Council*(As of December, 1971)*

Dr. Harold Demone, Jr. (Chairman), Executive Director
United Community Services

Mrs. Doris G. Andrews, Executive Director
Massachusetts Nurses Association

Dr. Vincent Barnaba, Director
Berkshire Rehabilitation Center

Mrs. Howell Bates, President
Massachusetts League of Women Voters

Dr. Joseph Bickford

Mr. William Bronstein, Vice-President
Plymouth-Home National Bank

Mr. Irving Chase, President
Henry Thayer Company

Mrs. Clarence Clark, President
Massachusetts Federation of Women's Clubs

Professor William J. Curran
Harvard School of Public Health

Mr. Archibald Dalton, Executive Director
Massachusetts Tuberculosis and Health League

Mr. James O. Dunn, Financial and Business Consultant

Dr. James Dunning
Harvard School of Dental Medicine

Mr. Joseph Faria, Vice-Chairman
Fall River Trust Company

Dr. Martin Feldstein, Department of Economics
Harvard University

Dr. Bernard Frieden, Department of City Planning
Massachusetts Institute of Technology

Dr. Alfred Frechette, Commissioner
Massachusetts Department of Public Health

Mr. Arthur Gartland
Cronin and Gartland

Mr. Frederick Glynn, Director of Social Services
Veterans Administration Hospital

Dr. Milton Greenblatt, Commissioner
Massachusetts Department of Mental Health

Mr. Benjamin Jones, President
Monarch Life Insurance Company

Mr. Richard Knight, Selectman
Town of Newbury

Mr. Paul L'Antigua
State School Employees

Mr. John Levis, Commissioner
Massachusetts Vocational Rehabilitation Commission

Mr. John Lund, President
New England Envelope Manufacturing Company

Mr. Elwyn Mariner, Research Director
Massachusetts Taxpayers Foundation

Mr. John McManus
Boston Typographical Union

Dr. John Norcross
Lahey Clinic

Mr. J. Kinney O'Rourke, Executive Director
Massachusetts League of Cities and Towns

Mr. Robert Ott, Commissioner
Massachusetts Department of Public Welfare

Mr. Albert C. Palmer, Vice-President, Administration and Planning
New England Telephone and Telegraph Company

Dean Howard L. Reed
Massachusetts College of Pharmacy

Mr. Robert Reidy
Maurice F. Reidy Company

Mr. William Robinson, Executive Vice-President
Massachusetts Hospital Association

Mrs. Joanne Ross
Commonwealth Service Corps

Mr. Neil Sullivan, Commissioner
Massachusetts Department of Education

Miss Mary Susich, County Health Officer
Barnstable County

Mrs. Rita Welch
Massachusetts Federation of Nursing Homes

Mr. Robert Van Wart, Executive Director
The Community Council of Greater Springfield

services, health manpower, and environmental health). Each task force was asked to produce a report for inclusion in the state comprehensive health plan.⁹

The scope of comprehensive health planning in Massachusetts has been broadly defined as "encompassing health services, facilities, and manpower to meet the physical, mental and environmental health needs of the people of the Commonwealth" and "the financial and organizational resources through which these needs may be met."¹⁰ Comprehensive health planning has encompassed attempts to assess the current health needs of the population; to determine the current level of health services; to project medium and long-range future health needs; to propose development programs to meet such health needs, and to remedy current lacks; and to recommend ways of implementing proposed

⁹Several Task Force reports are included as appendices to A Comprehensive Health Plan for the Commonwealth of Massachusetts, March, 1970.

¹⁰"State Comprehensive Health Planning Program for Massachusetts," undated memorandum prepared by the Office of Comprehensive Health Planning, Executive Office of Administration and Finance. In an effort to better document health needs in Massachusetts, the Governor's Advisory Council to the Office of Comprehensive Health Planning conducted a series of public hearings throughout the Commonwealth. A summary of these hearings was published under the title, Health Care in Massachusetts: The People Speak, Autumn, 1970.

programs including, where appropriate, changes in organization and structure of government agencies.

In addition to the state health planning agency, six area-wide (or sub-state) health planning bodies were also formed.¹¹ Grants for areawide comprehensive health planning [314(b)] were made to cover part of the cost of regional efforts to organize areawide health planning groups; and to implement areawide comprehensive planning programs. Organizational grants (for up to two years) were provided. Most communities needed to spend considerable time and effort developing the necessary working relationships.

Various organizational options were available to potential 314(b) agencies. They could build themselves into the framework of existing areawide planning agencies (councils

¹¹Region I: Western Massachusetts Health Planning Council, Inc. (Springfield); Region II: Comprehensive Health Planning Council of Central Massachusetts, Inc. (Worcester); Region IV: North Shore Health Planning, Inc. (Peabody); Region VII: Comprehensive Health Planning, Inc. (Middleboro); Regions III, V, VI: Health Planning Council for Greater Boston, Inc. (Newton); Region VIII: Merrimack Valley Health Planning Council, Inc. (Andover). The regional designations refer to an all-encompassing set of sub-state regional planning areas established by the Executive Department of Administration and Finance. Unfortunately, both the Public Health and the Mental Health Departments had separate sub-state service areas of their own design that did not quite coincide with the sub-state regional boundaries used by the Department of Administration and Finance.

of government; "701" planning agencies); the councils organized from scratch; they could expand existing county health departments or health planning agencies; or they could expand existing voluntary organizations.¹² In Massachusetts all six 314(b) agencies were created especially to play the roles suggested by the Partnership for Health legislation. Thus, the 314(b) agencies in Massachusetts began with certain advantages. First, each non-profit organization was geared directly to the task of comprehensive health planning and had no other competing commitments. Second, each agency was organized in a manner best suited to the region in which it was located. Third, pre-existing hostilities between various provider groups did not present special obstacles (although strong working relationships which might have been helpful in getting started were also not present at the outset). By the end of 1972 each 314(b) agency had organized its own area advisory council.

Before any 314(b) applications were submitted, working relationships first had to be established between the "a"

¹²These options are presented in more detail in National Association of Counties Research Foundation, Comprehensive Health Planning: A Manual for Local Officials, Washington, D.C., 1971, "Organization and Support for 314(b) Agencies," pp. 21-36.

agency and the "b" applicants. The "a" agency tried to make sure that the necessary back-up support, consultation, and assistance were available. "b" agency applications were sought from organizations that conformed to statewide health service development priorities in terms of geographic location and population served. In general, the "b" agencies in Massachusetts had a difficult time piecing together the cooperative relationships vital to their success.¹³ They had trouble developing a broad base of local financial support. The need for a diversity of funding sources was stressed by the state planning agency,

¹³Not only in Massachusetts, but in other states as well, "b" agencies had difficulty getting organized. In cases where areawide agencies are nothing more than reconstituted Hill-Burton area advisory councils (whose focus had been exclusively on hospital planning) the agencies were unable to catalyze broad-based support. Two other problems that handicapped (b) agencies were finding Executive Directors with the ability and training to operate successfully in such unstructured roles, and secondly, finding qualified staff. One criticism of the 314(c) programs has been their failure to turn out qualified planners to staff "a" and "b" agencies.

For the most part, money was not as much of an impediment as was anticipated. Local shares were raised with the help of area-wide hospitals. Even the best agency directors, though, were hampered by constant pressures from regional HEW offices, from "a" agencies (although in many states the "a" agencies had little to do with the "b" agencies once they were formed), and from citizen advisory councils (which basically controlled agency operations). See Organization for Social and Technological Innovation, Surveys of Selected "a" and "b" Agencies, Cambridge, 1971. OSTI also ran a series of discussion sessions early in 1972 for "b" agency directors for a dozen or so states which confirmed the above (interview with Dan Freeman, OSTI, January 2, 1972).

not only because the "b" agency's fiscal base reflects the extent of its local support, but also because it indicates the likelihood of the agencies' potential effectiveness. Reasonable assurances of local support were required either in the form of cash or firm written pledges adequate to finance at least six months of the agencies' operations. Federal funds could only be used to support up to 50% of "b" agency costs.¹⁴

Each 314(b) agency was supposed to have a chance to review 314(d) grant allocations made within its boundaries, but this did not turn out to be the case.¹⁵ The "b" agencies have yet to achieve their stated goals, although the problems they have encountered seem more idiosyncratic than structural. The only common theme seems to be that the "b"

¹⁴Comprehensive Health Plan for Massachusetts, op. cit., Appendix C, "Review Criteria for 314(b) Organizational Grants."

¹⁵The original expectation was spelled out in Helen O'Meara, "Relationship between the State and the Regional Comprehensive Health Planning Agencies in Massachusetts," draft position paper, June, 1970. The fact that the "b" agencies were not involved in 314(d) review and comment activities was confirmed via telephone interviews with Grant Heggie (Western Massachusetts Health Planning Council), May 11, 1972; Ann McGrath (Comprehensive Health Planning Council of Central Massachusetts), May 11, 1972; Carroll Colly (North Shore Health Planning Council), May 11, 1972; David Houghton (Regional VII, Comprehensive Health Planning, Inc.), May 11, 1972; Edward Steele (Health Planning Council for Greater Boston), May 11, 1972; and Don Douglass (Merrimack Valley Health Planning Council), May 18, 1972.

agencies have not had the clout necessary to mobilize the various public and private agencies and organizations involved in health care delivery.

The 314(a) agency received an average of more than \$120,000 a year from the federal government between 1967 and 1972: 1967--\$47,600; 1968--\$94,200; 1969--\$145,100; 1970--\$157,400; 1971--\$143,000; and 1972--\$147,300. The flow of 314(d) funds into Massachusetts is indicated in Table XII. The comprehensive state plan has never been reviewed at the national level. Rather, continuous checks have been made by the regional office for compliance with Federal regulations. That is, every year, several regional officials check to see that the proper documents are filled out and that various administrative requirements are met (these include establishment of consultation and supervision of services procedures; compliance with merit system procedures; compliance with Title VI of the Civil Rights Act; establishment of a separate organizational unit for planning; establishment of methods for payment of in-patient care; etc.). Annual work programs proposed by the Departments of Mental and Public Health along with progress and expenditure reports are required. Assertions made in these reports relative to compliance are all that federal and regional officials use to ascertain whether funds should be

Table XII

314(d) FUNDS AWARDED TO MASSACHUSETTS

<u>Fiscal Year</u>	<u>Federal Allotment</u>	<u>Federal Share*</u>	<u>State and Local</u>
1968			
public health	\$ 1,177,900	44.46	\$ 1,471,400
mental health	207,900		259,700
1969			
public health	1,314,400	44.80	1,619,500
mental health	232,000		285,000
1970			
public health	1,788,700	43.98	2,278,400
mental health	315,600		402,000
1971			
public health	1,769,200	43.95	2,256,300
mental health	312,200		398,200
1972			
public health	1,818,800	43.64	2,348,900
mental health	321,000		414,600
<u>5-year total</u>	\$ 9,257,700		

*Federal share of costs is given according to the formula indicated in section 314(d) part 5. The federal share is a percentage greater than 33-1/3% and less than 66-2/3%. The per cent federal share is 100% - x% where x is to 50 as the state per capita income is to the average U.S. per capita income. In the computation of benefits to the states, there is thus a double compensation for poverty--once when the federal allotment to the state is computed and again when required state matching proportion is computed.

awarded for another year.¹⁶

Once the work program is submitted, the state is free, it appears, to do whatever it wants with the money, subject only to an annual expenditure report and occasional audits. The work program is essentially a statement of how appropriations will be used for a given year, while the comprehensive plan is supposed to be a long-range document outlining the full range of programs and assessing health care needs in the state. As it turns out, the federal government has paid little or no attention to the content or scope of the comprehensive state plan; only the annual departmental work programs are required for continued federal support.¹⁷ No date was ever set fixing a time by which state plans had to be submitted. In fact, as of May, 1972, Massachusetts was the only state in the New England region even claiming to have a plan.

According to the director of the regional office of compre-

¹⁶Department of Health, Education, and Welfare, Public Health Services, "Procedure for Completion of Certification and Budget," HSM-561-1 and "State Plan Checklist," HSM-577-1.

¹⁷Interview with Andrew Johnston, Director, Federal Regional Office for Comprehensive Health Planning, May 3, 1972.

hensive health planning, there does not have to be a direct relationship between the goals expressed in the state plan and the expenditure of "d" money; the expenditure need only be "free of conflict with the state plan." No one is quite sure what "free of conflict" means. Amendments to the 314 legislation required that 314(d) expenditures be reviewed by the "b" agencies, yet the regional office openly acknowledges that such approvals have not been forthcoming. From the standpoint of HEW regional officials, the most annoying problem in Massachusetts has been that they have not been able to get a budget from the state health department indicating anything more than total state-federal expenditures for health. The annual expenditure reports list only combined expenditures by program area (i.e., environmental health, tuberculosis control, etc.), and not the specific allocation of 314(d) funds. 314(d) funds have been buried somewhere in the public health department's \$45 million budget.¹⁸

The regional office uses a "checklist" to review state compliance each year. One requirement is that each state show evidence of its efforts to notify communities that 314(d) funds are available. In Massachusetts, this has been

¹⁸Ibid.

handled by placing an advertisement once each year in the public health department bulletin. Even that single advertisement fails to mention anything about the purposes of the 314(d) program or to indicate the kinds of project proposals that might be entertained in a given year. Both the state and the regional officials involved have suggested that this is largely an artificial requirement. They argue that since the federal government has not increased 314(d) funding levels, the states are not responsible for meeting the mandatory 70% pass-through requirement. The public health department has gone so far as to suggest that "all of its programs are geared to meeting local needs" and, therefore, no formal pass-through is necessary.

The matching arrangements provide yet another escape hatch. The state has only to demonstrate that an overall match has been made. This is not hard to do since the annual state budget is much larger than the amount of money coming in under the 314(d) program. Having demonstrated an overall match, the state need not actually use any 314(d) funds for community projects if it can show that at least the equivalent amount in state funds has already been allocated for "community-related purposes." The final point is that most of the 314(d) funds coming into Massachusetts

are locked into ongoing salaries of civil service employees. Thus, 314(d) funds have for the most part been trapped in the Department of Public Health's administrative structure and have rarely seeped through to cities and towns.¹⁹

The regional office was informed by the Department of Health, Education, and Welfare in Washington that they were not to disallow any expenditure of 314(d) funds that was "minimally acceptable." In effect, this means that the states have had carte blanche. In part, this can be attributed to a claim made by several states (most notably New Jersey) that 314(d) formula grants constitute an "entitlement" which cannot be withheld, regardless of whether or not the national government feels 314(d) are being used wisely. The issue of entitlement has not been settled in court, but HEW has been willing to permit a very loose interpretation of the law rather than face a battle with the states.²⁰ The

¹⁹Interview with Dr. Robert Godersky, Assistant Regional Health Planning and Coordination Director, designated liaison officer with Massachusetts for 314(d) funds, May 3, 1972.

²⁰Interview with Dr. Robert Godersky, May 8, 1972. Both New York and New Jersey decided to challenge the HEW requirements by not turning in reports or plans. The Regional HEW Director (Dr. James Kinney, now Executive Director of the American Public Health Association in Washington, D.C.) disapproved of the states' actions and refused to release 314(d) funds. The states managed (through either the Secretary's office in HEW or the Health Services and Mental Health Administration to get "their money." [Dr. William Putnam, currently Regional Director for the New York area, has denied that funds were ever withheld from New Jersey or New York (personal correspondence dated May 22, 1972).]

only time the regional office pressed Massachusetts on the operation of the 314 program was when it seemed as if too large a proportion of 314(a) funds was being used for contract services. If more than 50% of the state's annual appropriation is used for outside services, the state can be "found not in accordance with the merit system required by federal law." Even in this case, though, the state work program and the comprehensive plan were approved on the condition that steps be taken to correct the situation.

314(d) Allocations in the Massachusetts Department of Public Health

In 1968, when Partnership for Health funds first began to flow into the state, the Massachusetts Department of Public Health set up a committee (including representatives of three different sub-bureaus) to allocate 314(d) money. Elaborate guidelines were prepared to guide municipalities and non-profit groups interested in submitting grant requests.²¹ The members of the committee quarreled among themselves. They could not agree on how to spend the money or on the level of state supervision needed to keep local

²¹Massachusetts Department of Public Health, "Developmental Grants for Community Health Services," 1967-1968, including General Instructions, Grant Application Forms, Financial Considerations, and Guidelines for Evaluating Projects, 19 pp.

administrators in line. The process of selecting grant recipients was haphazard. Priorities were not set in advance. After looking at all the applications submitted in a given year, a handful were selected (with annual awards never totalling more than \$150,000).²²

²²In 1968-1969, nine projects received a total of just under \$150,000. There is no way of determining exactly how much of this was 314(d) money and how much came from state funding for community health services. The best guess is that all projects funded under the heading of "community health service activities" and "home health" were supported out of 314(d) funds, including the following:

<u>Project Title</u>	<u>Grant Recipient</u>	<u>Amount of Grant</u>	<u>Initial Funding Date</u>
Comprehensive home health program	Burbank Hospital	\$11,840	5/1/68
Social Service Consultant to a municipal day care licensing authority	Associated day care services of metropolitan Boston	16,532	7/1/68
Comp. Family Health Care, Piedmont-Univ. Park Area	Worcester Health Department	49,240	7/1/68
Homemaker-Home Health Aide Service of Greater Fall River	Homemaker-Home Health Aid, Inc.	12,000	7/1/68
Regional Comp. Homemaker Home Health Aide Services of Greater Worcester	Family Services Org. of Worcester	16,433	9/1/68
Comp. Post-Partum Clinic	Wesson Maternity Hospital, Springfield	25,000	9/15/68
Comprehensive Health Services in a Semi-rural area	Wing Memorial Hospital and Community Health Center, Palmer	7,000	10/1/68
Development of Home Health Services for Malden	Malden Community Nursing Association	4,000	1/1/69

When a new deputy Commissioner for public health was appointed in 1970, he abolished the committee and assigned the task of allocating 314(d) funds to the department's planning office. (See Figure V, Organization Chart for the Department of Public Health.) Projects funded in 1968 and 1969 were phased out. The following year, the deputy commissioner reclaimed 314(d) allocation responsibilities for himself.

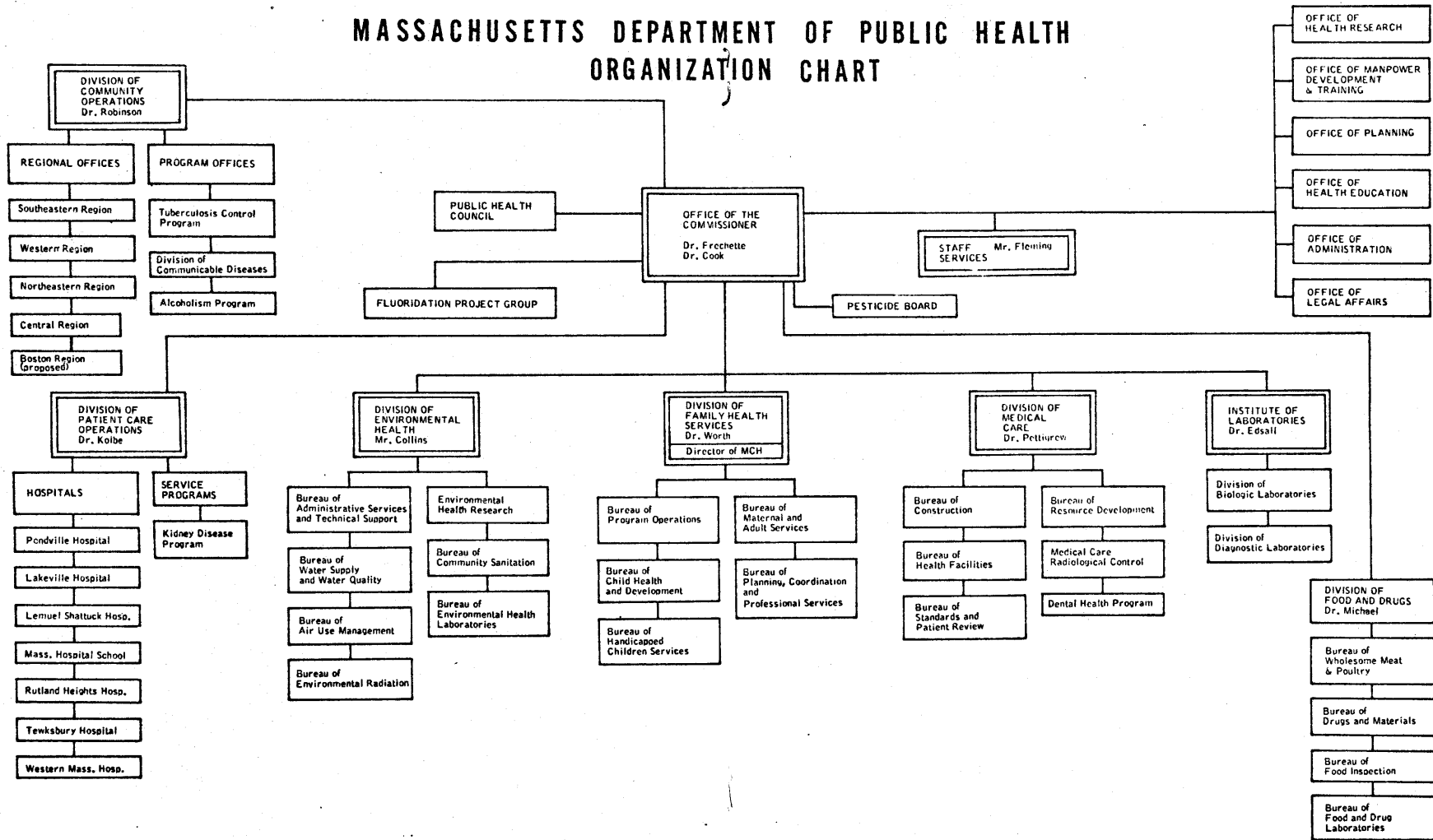
From 1967 to 1972, 314(d) allocations to the public health department remained at approximately \$1,600,000 a year (see Table XV). For the most part these funds were encumbered by prior commitments. A great number of jobs were tied to the old system; and because of civil service restrictions, there was no way of escaping these financial obligations. Since operating costs continued to mount and

<u>Project Title</u>	<u>Grant Recipient</u>	<u>Amount of Grant</u>	<u>Initial Funding Date</u>
Regional Visiting Nurse Association Project	Beverly Visiting Nurse Association	\$ 2,000	1/1/69

Many of these same projects were supported for a second year at the same or a slightly reduced funding level: Wesson Hospital--\$25,000; Burbank Hospital--\$7,000; Greater Fall River--\$5,000, etc. No new projects were listed for 1970.

Figure V

MASSACHUSETTS DEPARTMENT OF PUBLIC HEALTH ORGANIZATION CHART



May, 1971

the state legislature did not increase its annual appropriations at a commensurate level, less and less money became available for interesting or innovative community-based projects or even for new activities within the agency itself. In 1971, only \$50,000 was set aside for community projects. Most of this money was used to bolster sagging relationships with the "b" agencies.²³ The Commissioner and the Deputy Commissioner decided which regional agencies would best be able to use an infusion of funds; they then invited only those agencies to submit grant applications. An additional \$150,000 of unencumbered funds was used to supplement agency expenditures for car pool, postage, and other miscellaneous items and to strengthen the department's office of planning. Finally, in 1972, all 314(d) funds for community-oriented projects were cut off.²⁴ In 1972, the entire block grant was used to cover normal departmental administrative costs.

²³The "b" agencies were never informed that what they were actually receiving was 314(d) money. All the 1971 awards, including promises of 1972 funds totalled \$49,000. (That did not include separate grants of \$25,000 made in 1971 and 1972 to the Boston-Brookline Health Resources Organization.) Of the \$49,000, \$41,000 was allocated to "b" agencies for survey and planning work.

²⁴Interviews with Dr. Ernest Cook, Deputy Commissioner of Health, November 11, 1971 and May 10, 1972.

The public health Department took little or no interest in the activities of the 314(a) agency. Public health allocations of "d" money in no way reflected the objectives outlined in the state's comprehensive health plan. Moreover, it was clear to all concerned that key public health officials resented the efforts of the Office of Comprehensive Health Planning. Undoubtedly, this had something to do with the fact that in thirty-nine of the fifty states public health departments were designated as "a" agencies. No one in the public health department in Massachusetts was convinced that the Executive Office of Administration and Finance was in a better position to coordinate comprehensive health planning activities in the state.

When the first comprehensive health plan appeared in 1970, it was severely criticized by representatives of the public health department. Nevertheless, few if any changes were made. Whether or not the modifications proposed by public health personnel were in fact useful or even reasonable is not important. The public health department made no subsequent effort to contribute to the preparation of comprehensive health plans nor did they take "a" agency recommendations seriously

Public health officials made no secret of the fact that the 70% pass-through requirement was not being honored or that

314(d) funds were used primarily to cover trivial office expenses that should actually have been financed out of regular state appropriations.²⁵ The only time the public health department bothered to submit a report regarding 314(d) expenditures (to the regional office of Health, Education, and Welfare) was late in 1969. And that report merely outlined how "d" funds would be used in fiscal 1970. Interestingly enough, no change from the line item budget of earlier years was proposed.²⁶ In fact, the pre-existing categorical grant headings were still used to organize the 314(d) budget in 1970.

Numerous references have been made to the convenience and flexibility that supposedly resulted from the switch to block grants. Because 314(d) funds have been kept in a separate account, the public health department has had the

²⁵Interview with Dr. Cook, ibid.; interview with Richard Seder, Office of Planning, Department of Public Health, November 11, 1971; interview with Robert Godersky, op. cit.; interviews with Betty Caso, Division of Community Services, Department of Public Health, May 15, 1972, and May 22, 1972; interview with Alice Crimmins, Budget Section, Department of Public Health, November 11, 1972.

²⁶Public Health Service Plan [314(d)] for 1970, submitted to Mabel Ross, M.D., Regional Health Director, Public Health Service, Department of Health, Education, and Welfare, May 13, 1969 by Alfred Frechette, Commissioner of Public Health. The plan is very vague and although various objectives are indicated, no information is given specifying how much money would be spent to achieve each objective (or how much money would come from 314(d) and how much from other state funds).

luxury of bypassing the central purchasing office whenever it desired to buy certain items such as furnishings or equipment.

A number of public health officials have suggested, somewhat sheepishly, that \$1.6 million a year was not nearly enough to promote reforms in the health care system or to significantly improve local health services. They also admit, though, that no serious effort was made to experiment along these lines.

Table XIII summarizes 314(d) expenditures in the Department of Public Health from 1968-1971. Over \$6,000,000 in 314(d) funds was allocated to Massachusetts during that period, but only \$4,500,000 has been accounted for in departmental records. Presumably, the remaining \$1,500,000 fell into "working reserves" carried forward each year and used to cover unanticipated office expenses. [The "working reserve" is a slush fund; once money is transferred in, expenditures are no longer indicated in the 314(d) records.]²⁷

The application process: The process by which the public

²⁷This suggestion was made by Dr. Cook, *op. cit.*

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF PUBLIC HEALTH
EXPENDITURES OF BLOCK GRANT [314(d)] FUNDS

<u>Budget Title</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Totals</u>
<u>Bureau of Administration</u>					
Central Administration	\$ 101,959.94	\$ 110,836.76	\$ 180,555.98	\$ 244,491.77	\$ 637,844.45
Health Statistics	14,969.96	16,554.50	24,761.94	-	56,286.40
Health Research	-	-	-	143,243.01	143,243.01
Planning	-	-	-	82,395.52	82,395.52
Health Education	88,228.11	81,195.93	115,464.52	127,526.81	412,415.37
Car Pool Budget	37,590.80	47,234.31	35,901.23	44,547.55	165,273.89
Training and Research	-	-	-	38,867.34	38,867.34
Full time	6,617.33	-	-	-	6,617.33
Other	1,329.00	2,424.00	-	-	3,753.00
Office of Administration	-	11,899.76	19,310.82	-	31,210.58
Research	-	-	-	-	-
<u>Bureau of Environmental Sanitation</u>					
<u>Division of Sanitary Engineering</u>					
Central Office	25,325.20	32,920.80	36,807.64	48,164.15	143,217.79
Lawrence Experimental Station	6,690.74	6,731.40	1,766.41	6,247.87	21,436.42
Amherst Laboratory	3,989.55	4,103.20	4,075.45	5,643.70	17,811.90
<u>Division of Sanitation</u>	-	-	-	-	-
<u>N. E. Interstate Water Pollution Control Commission</u>					
Air Pollution Control	-	-	-	-	-
<u>Metropolitan Boston District</u>					
Water Pollution Control	-	-	-	-	-
<u>Bureau of Consumer Products</u>					
Central Office	29,404.56	25,109.05	32,005.50	-	86,519.11
Laboratory	10,436.57	10,477.22	12,771.35	-	33,685.14

Table XIII

(Page two of five)

<u>Budget Title</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Totals</u>
<u>Bureau of Preventive Disease Control</u>					
Cancer Control	\$ -	\$ 75,528.63	\$ 96,096.76	\$ 11,672.04	\$ 183,297.43
Clinics	-	-	-	-	-
Administration	79,037.09	-	-	-	79,037.09
Heart Disease Control	-	72,346.70	74,616.92	53,964.30	200,927.92
Clinics	8,847.55	-	-	-	8,847.55
Administration	52,944.97	-	-	-	52,944.97
Communicable Disease	937.08	4,432.80	3,160.00	205.53	8,735.41
Venereal Disease Control					
Administration	1,053.00	1,000.00	-	-	2,053.00
Clinics	-	-	-	-	-
Dental Health	-	-	91.60	7,072.00	7,163.60
Unit in Dental Health	10,474.08	2,169.87	-	-	12,643.95
Boston University Harnessing Growth and Development	-	-	-	-	-
Radiation Control	3,774.36	4,702.80	6,414.80	-	14,891.96
Alcoholism	-	1,500.00	-	500.00	1,500.00
Services to the Chronically Ill and Aged Development and Consultation Unit	97,841.84	89,255.26	91,872.66	66,020.23	344,971.99
Nursing Homes and Related Facilities	40,208.48	50,710.73	66,516.76	10,565.86	168,001.83

Table XIII

(Page three of five)

<u>Budget Title</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Totals</u>
<u>Bureau of Health Services</u>					
Local Health Control	\$ 21,275.20	\$ 20,395.11	\$ 24,328.95	\$ 21,185.08	\$ 87,184.34
Southeastern-Lakeville	6,923.75	6,536.55	6,190.00	7,986.98	27,137.28
Northeastern-Tewksbury	13,287.25	13,481.09	16,988.60	16,573.57	60,330.51
Rutland (Central District)	12,715.30	12,905.20	19,837.60	39,075.61	84,533.71
Amherst (Western District)	21,486.58	28,487.07	34,802.75	36,392.59	121,168.99
Pittsfield (Western District)	9,469.36	10,015.46	10,102.12	9,524.49	39,111.43
Nursing	22,915.86	25,370.03	31,644.81	11,283.28	91,213.98
Social Work Division	-	-	-	-	-
Nutrition Division	-	-	-	-	-
<u>Maternal and Child Health Services</u>					
Family Health Services-Administration	-	-	-	2,160.80	2,160.80
Division of Maternity and Child Health	-	-	-	-	-
Bureau of Child Health and Development-Day Care Training	-	-	-	16,222.50	16,222.50
Services for Crippled Children	-	-	-	-	-
Bureau of Maternal and Adult Services-Eliot Center, Harvard St.	-	-	-	17,500.00	17,500.00
<u>Bureau of Hospital Facilities</u>					
Division of Hospitals	18,636.91	21,113.09	25,902.85	-	65,652.85
<u>Bureau of Tuberculosis and Institutions</u>					
Division of Tuberculosis	-	-	62,860.36	-	62,860.36
Administration	-	9,073.20	-	-	9,073.20
Hospital Care	-	-	-	-	-
Clinics	13,607.02	1,167.84	-	107,175.99	121,950.85
Drugs	-	-	-	-	-

Table XIII

(Page four of five)

<u>Budget Title</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Totals</u>
<u>Sanatoria</u>					
Lakeville State Hospital	\$ -	\$ -	\$ -	\$ -	\$ -
Rutland Heights Hospital	-	-	-	-	-
Western Massachusetts Hospital	-	-	-	-	-
Lemuel Shattuck Hospital	-	-	-	-	-
Pondville Hospital	-	-	-	-	-
Massachusetts Hospital School	-	-	-	-	-
Tewksbury Hospital	-	-	-	-	-
Capital Outlay-Department	-	-	-	-	-
<u>Bureau of Institute of Laboratories</u>					
Institute of Laboratories	-	-	-	22,409.08	22,409.08
Biologic Laboratory	200.00	1,846.50	-	-	2,046.50
Diagnostic Laboratory	12,027.12	21,097.24	94,810.47	-	127,934.83
PKU Program	-	-	-	-	-
streptococcal Investigation	36,012.03	40,593.50	-	57,574.50	134,180.03
Rubella Study Program	5,685.33	6,690.16	-	46,181.13	16,993.62
Mumps Virology	-	-	-	-	-
Nashoba Health Unit	3,400.00	-	-	-	3,400.00
Group Insurance	-	-	-	-	-
Massachusetts Committee for Children and Youth	-	-	-	-	-
Local Area Research and Demonstration Project	-	-	-	-	-
M. C. H. Consultant	-	-	-	-	-
Medical Care Program	69,231.88	87,517.13	119,014.78	-	275,763.79
Comprehensive Public Health and Medical Care Programs	4,250.00	-	-	-	4,250.00

Table XIII

(Page five of five)

<u>Budget Title</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Totals</u>
<u>Categories Added After 1968-1969</u>					
Community Health Service Activities	\$ -	\$ -	\$ 631.64	\$ 31,242.28	\$ 31,873.92
Patient Care Operations	-	-	89.70	-	89.70
Division of Food and Drug-Central	-	-	-	34,013.24	34,013.24
Food and Drug Laboratory	-	-	-	11,981.05	11,981.05
Division of Medical Care	-	-	-	34,408.46	34,408.46
Radiation Control	-	-	-	50,368.62	40,368.62
Home Health	-	-	-	26,517.52	26,517.52
Boston-Brookline Comprehensive Health	-	-	-	25,000.00	25,000.00
Total Four Year Expenditure	\$ 892,283.80	\$ 956,423.09	\$ 1,251,294.95	\$ 1,457,001.37	\$ 4,557,003.21
Total Federal Allocation to Public Health	\$ 1,177,900.00	\$ 1,314,400.00	\$ 1,788,700.00	\$ 1,769,200.00	\$ 6,050,200.00
Difference*	\$ 285,617	\$ 357,977	\$ 537,406	\$ 312,199	

*The differences shown above represent unliquidated obligations as of June 30th of each fiscal year. These funds are carried forward and constitute a working reserve that the Department can draw on at will.

health department allocated funds was indeed very informal.²⁸ For the most part, "d" grants were made in response to open-ended inquiries from community agencies and private or non-profit provider groups. In 1971, for example, twenty-seven inquiries were received regarding potential projects, although in many cases formal grant applications were never actually submitted. Most project applications involved nothing more than a few telephone calls and an outline of a contract for services.²⁹

Members of the Board of Health in Somerville indicated an interest in broadening the scope of nursing services provided by that city. An informal request was made for a grant of \$800 to cover tuition associated with a "nurse practitioner training program" for a public health staff nurse. (The city of Somerville ultimately received \$1,000 for this purpose.) Another request was made for a small grant to cover the salary of a part-time planner involved in evaluating the need for a health center in East Somerville. The request was later withdrawn at the request of neighborhood residents.

²⁸Cf. footnote 25.

²⁹Memorandum to Richard Seder from Betty Caso, Michael Price, and Barbara Seigal, April 7, 1971, summarizing current status of project grant applications. 7 pp.

The program director at Grafton State Hospital identified one hundred patients who needed neither the intensive care provided at the hospital nor nursing home services. A residential setting, it seemed, would be more suitable and less costly than hospital care. When a private residence (capable of accommodating twenty-five people) was made available to Grafton Hospital by the city of Worcester, the hospital requested a grant of \$9,000 to cover operating costs. A request from the Worcester Rehabilitation Center for a grant to provide rehabilitation services to ex-drug addicts was referred to the Worcester Model Cities program and to Worcester State Hospital which were already involved in drug programs. A third request from Worcester, seeking support for a short-term training institute on addiction was subsequently withdrawn. After discussions with the Central Regional Health Office (one of the state health department's sub-state regional field offices) the Worcester Community Service Agency was able to identify more promising sources of funds.

The Boston Headstart Program indicated informally that it was interested in hiring health aids. They failed to follow up on their initial inquiry. The Franklin County Public Hospital in Greenfield requested a grant of \$8,000 to cover "consulting, staff assistance, and data processing"

costs associated with a projected survey of community health needs. Ultimately, the hospital, in conjunction with the "b" agency in the area, received a combined two-year grant of \$24,000 to survey health needs and resources in Franklin County.

The Family Planning Center in Lowell first proposed and then withdrew a request for general support. As it turned out, the state health department's Division of Family Services was already providing funds for the center and, in addition, a separate federal grant application for family planning funds had already been filed. The Cape Cod Hospital asked for help in developing its computer facilities; that request was referred to the HEW Regional Office.

The Crescent Court Health Center in Brockton sought funds to support "a well baby pediatric family-oriented service for low income families" in the Brockton City Hospital health service area. The Division of Family Health Services was already involved in the effort and the local CAP agency had submitted a federal grant application for family planning money for the same area. Nevertheless, funds were ultimately provided to the "b" agency in the Brockton area for a vastly modified version of the project.

Children's Hospital in Boston submitted a request for a small grant. They were seeking funds to pay the salary of a nurse specializing in out-patient care of children suffering from endocrine disorders. The public health department informed them that their request would be "recorded," but that money would "probably not be available for such a project." The Visiting Nurse Association submitted a request for funds to support pre-school child health services for the town of Danvers. This application was channeled through the Northeast Regional Office (another of the state health department's regional field offices).

Boston City Hospital requested funds for a "travelling telecommunications system" that would link up Boston City Hospital with various nursing homes in the area. The Fall River Model Cities program sought a grant to supplement a proposed neighborhood health project. Morgan Memorial, Inc. wanted money to cover the training of rehabilitation aides. (They were told that the Massachusetts Rehabilitation Commission should support such projects.) The Model Cities agencies in New Bedford and Springfield requested funds for dental care and home-making services. Inquiries were also received regarding a half-way house for the Athol-Gardner-Greenfield area and

a home care program at Athol Hospital. The Boston Model Cities agency requested a grant for a "lead poisoning prevention survey" and North Shore Children's Hospital wanted money to set up a young adult health service.

Almost half the inquiries were shunted off to other agencies or bureaus in the Public Health Department. In the end, only three of the twenty-seven projects were funded directly (Somerville: Nurse practitioner, \$1,000; Boston City Hospital: Telecommunications, \$7,000; Athol Community Health Service Agency: a combined two-year grant of \$14,000).

The Commissioner's Office acting independently of the Community Service Division and the Planning Office awarded \$24,000 (a combined two-year award) to Franklin County Public Hospital in Greenfield for their proposed community health survey. It was decided, however, that this project would be administered by the Western Massachusetts Health Planning Council in an effort to foster better relations with the "b" agencies. Along the same lines, the Region VII Comprehensive Health Council was awarded \$7,700 to develop an area-wide health information system (this project was originally submitted by Greater Brockton Health Centers, Inc. under the title "Essential Core Staff

for the Crescent Court Clinic"). It was felt that the "b" agency needed to collect more data before a community health center could be considered. The Commissioner's Office allocated \$3,000 to the Merrimack Valley Health Planning Council. They did not ask for any money nor had they submitted an application, but the Commissioner felt they were the weakest "b" agency in the Commonwealth and could use the help. Finally, in 1971, the Commissioner's Office dipped into the 314(d) account to support the Boston-Brookline Health Resources Organization (this project is discussed below). This decision was not made in consultation with the planning office or the community health service section of the department. In fact, only the Commissioner's office was involved in the negotiations.

Several things ought to be pointed out about the application and review process. Groups receiving 314(d) funds did not specifically apply for them. In most cases, they were not even aware that federal funds targeted especially for the improvement of community health services were available through the public health department. Of the twenty-seven potential applicants who inquired about funding in 1971, more than a third were discouraged from submitting formal applications. Staff members in the community service division decided that their projects were "probably

not appropriate." Since the Commissioner had made it clear to the staff that only \$50,000 would be available for such projects [even though over \$1,700,000 in 314(d) money was coming into the department], every effort was made to keep the number of requests to a minimum. This way, staff time involved in making decisions could be reduced and the problem of making choices minimized.

No overall priorities of any kind were set. The only criterion of "fundability" seemed to be whether or not other money (federal or state) was available for the same purpose. Most proposals came from hospitals seeking supplementary funds. Almost every applicant required extensive consultation with the state agency since very few were qualified or able to formulate specific project proposals or the necessary back-up documentation. Perhaps this accounts for the Health Department's preference for contracts (which they could draw up themselves), rather than for grants based on project proposals. In some cases, personnel hired with federal funds were scheduled to receive higher salaries than people with equivalent responsibilities in state and local civil service positions. This upset state agency officials. Neither state nor local political figures intervened in the grant review process. This is largely because most state legislators

and local officials have been unaware of the 314(d) program.

Some effort was made (at least in 1971) to involve various public health department bureau chiefs in reviewing the technical aspects of grant requests, but in the end most of the money allocated went directly through the Commissioner's Office, by-passing even the minimal review procedures that had been set up. The key point is that the availability and utilization of 314(d) money was masked from public view. Recipients were told that they were receiving "community service money", not 314(d) funds. The involvement of "b" agencies was incidental to the grant review process, and no effort was made to use 314(d) money to strengthen health planning or service delivery capabilities in local public health departments. Overall priorities were not set, even for the use of the small fraction of the 314(d) funds set aside for community projects.

The Boston-Brookline Health Resources Organization: BBHRO was established in 1971 in an effort to provide an integrative mechanism capable of pulling together various pieces of the health care delivery system in the town of Brookline and in the Boston neighborhoods of Brighton-Allston, Fenway-

Mission Hill, and Jamaica Plain.³⁰ Its purposes are not unlike those of a "b" agency, the only difference is that BBHRO has been unusually successful while the performance of its counterpart in Boston, The Health Planning Council for Greater Boston, has been relatively undistinguished. In 1971 BBHRO received \$25,000 in "d" money from the department of public health and \$3,200 in "d" money from the department of mental health. This was the first and only time that the two departments collaborated on a "d" grant. In 1972, Public Health maintained its \$25,000 commitments (in spite of a change in departmental leadership) and Mental Health increased its contribution to \$15,000. An additional \$60,000 a year was contributed by the city of Boston and the town of Brookline. There are several issues raised by BBHRO's success in obtaining 314(d) funds. First, how was BBHRO able to secure 314(d) funding even though they were in direct competition with the "b" agency in the Boston area? Second, why was BBHRO able to mobilize area-wide health planning and service delivery activities, while the "b" agencies had so much difficulty? Finally, does the case of BBHRO suggest a

³⁰Descriptive data on the Boston-Brookline Health Resources Organization was taken from BBHRO's Final Report to the Massachusetts Department of Mental Health, May 10, 1972.

strategy for the use of 314(d) money more likely to bring about significant and lasting reforms in the health care system than the current approach to 314(d) allocations?³¹

BBHRO has a number of distinguishing characteristics:

- (1) The area it serves (a "minimized boundary" with a population of 207,000) is neither as small as an individual neighborhood nor as large as a whole metropolitan area. It presents an opportunity to take collective action which no one neighborhood could take, while allowing the possibility of dealing more intensively with the details of a local problem than is possible for an agency operating on a metropolitan or state-wide basis.
- (2) Its boundaries are convergent with an existing service area (the Massachusetts Mental Health Center).
- (3) BBHRO is dominated by consumers with two-thirds of its directors elected by the membership of neighborhood health committees. It has provided for strong and meaningful representation of principle public agencies and provider-organizations as well.
- (4) BBHRO has an activist orientation. This puts it in a different category from the agencies fostered under Sections 314(a) and (b), which are devoted solely to planning.

³¹These questions were explored with Mr. R. Hopkins Holmberg, Executive Director of BBHRO, in interviews on May 25, 1972 and January 3, 1973.

BBHRO has adopted a variety of tentative statements of purpose over the past few years. Most of the statements resemble those promulgated by 314(a) and (b) agencies. The difference, though, is the stress on implementation and BBHRO's view of itself as a "provider of last resort."

During the summer of 1971, the national government announced its intention to convert the Public Health Service Marine Hospital, located in Brighton, to "community management and use." This was a major concern to the neighborhood health committee in Brighton-Allston which sought BBHRO's assistance in analyzing proposals from various institutions anxious to be selected as the agent for "community management and use." In response to many deficiencies in the applications that were submitted, BBHRO formulated an "application" of its own. Since BBHRO was not a provider institution, its application was obviously ineligible, but they did succeed in outlining certain key principles aimed at protecting the neighborhood's interests. BBHRO stressed community participation in the continuing governance of the public health service hospital; and expansion rather than contraction of the ambulatory services and establishment of a community service pre-paid group practice. The Health Planning Council of Greater Boston, the "b" agency which officially reviewed all the "community management and use"

proposals, expressed strong support for the ideas contained in the BBHRO application. Since that time BBHRO has been actively engaged in pursuing these objectives. The experience helped to mold BBHRO's aggressive style of operations.

In 1971, the city of Boston was preparing a proposal to the national government for the establishment of a comprehensive program to deal with the difficult problem of lead paint poisoning in the city. Without waiting to be invited, BBHRO jumped in--not only to provide technical assistance when they thought they could be helpful, but also to extend the proposed lead paint poisoning program into the relatively small high-risk area of Brookline. BBHRO ultimately helped to reshape the proposal.

A third major event in the evolution of BBHRO was the selection of its staff. The director, "Hop Holmberg, is experienced and aggressive. His staff has grown to five and a "Boston-Brookline Collaborative Center" has begun in response to the difficulties involved in finding appropriate treatment and care for emotionally disturbed children. BBHRO served as a conduit for \$30,000 in foundation money to support the continued development of a center for the emotionally disturbed. The pattern of fostering such developments under the BBHRO umbrella with the intention

of eventually setting up separate corporate entities is the model for BBHRO's future activities. In each of the four principle BBHRO neighborhoods, a Task Force promotes home services for the elderly and the handicapped (with a particular stress on nutritional needs). This effort has been noted as one of the best in the Commonwealth by the Commissioner of Elderly Affairs.

In the eyes of the public, the activities of BBHRO and the regional "b" agency are synonymous, although the strains between the two organizations continue to grow. BBHRO has invested considerable effort in "reviewing and commenting" on over \$100,000 of proposed health facility construction projects in the area. This is an official "b" agency function.

Boston has always had a group of remarkably enlightened health officers. Many of these individuals promoted the BBHRO concept. More than anything else, their support helps to explain why and how joint public health-mental health backing was generated for BBHRO. The most important person, it seems, was Don Scherl, former director of community services at the Massachusetts Mental Health Center, a resident of the Mission Hill area, and as of 1971, deputy to the Secretary of Human Services for Massa-

chusetts. Under the state's reorganization plan, both the Mental Health and Public Health departments were subsumed under the Secretary of Human Services. Without some sort of pressure from the top it is hard to believe that the two departments would have collaborated unless they each knew nothing of the other's support; or the project involved was presented in two entirely different ways. Neither was true in this instance. Other actors in the funding process were Jack Ewalt (Professor of Psychiatry at Harvard, a director of the Massachusetts Mental Health Center, a close associate of the Commissioner of Mental Health, and an associate of Don Scherl) and Alfred Frechette (Commissioner of Public Health and a long-time resident of the Boston-Brookline area). In both the public health and mental health departments, BBHRO funding was handled directly through the Commissioners' offices. The BBHRO staff helped members of the state legislature formulate proposals regarding state funding of area-wide health planning bodies and assisted the Governor's Office on the issue of "certification of need" relative to capital construction of health facilities.

Three factors seem to account for BBHRO's success. First, its executive director did not wait to be invited in when important issues arose. Second, BBHRO began not only with

strong support from a number of the most important figures in Boston's "health world," but also with strong grass roots endorsement. Third, the staff was able to use a few key issues (public health hospital conversion, lead paint poisoning) to establish itself as an activist organization that could get things done.

In the Boston-Brookline area there is a great deal of organized activity in the health field and it is not difficult to find an issue around which to rally community support. In addition, BBHRO (unlike the "b" agencies) is made up of identifiable neighborhoods, each with its own history of active interest in health. The Boston "b" agency has to grapple not only with an enormous range of different communities and interest groups sprawled throughout the metropolitan area, but also with an illustrious board of directors that has been somewhat insensitive to neighborhood needs and consumer involvement. The "b" agency has had a hard time finding narrow enough topics on which to focus its energies but which still are of sufficient interest to a majority of the group's member communities.

To a great extent BBHRO's success may be related mostly to its location and its friends. Even if that is true,

though, it still represents one of the few encouraging examples of how 314(d) funds have been used effectively. For one thing, the success of BBHRO suggests that "d" funds can be used collaboratively at the local and regional level. Perhaps if the two state health departments took a real interest in the "b" agencies they might give them the additional clout they need to be successful. Secondly, if BBHRO's success can be attributed to its somewhat limited boundaries, perhaps this suggests that "b" agencies ought to be building alliances among well organized and identifiable neighborhoods. At present, the "b" agencies are operating within totally artificial boundaries. It may also be that the only way to mobilize fragmented components of the health care system is to work through new institutional mechanisms. Long-standing hostilities between different provider groups are hard to overcome. Moreover, existing agencies and organizations (many of which are left over from an earlier time) are unfamiliar with the techniques that must be used to promote and sustain consumer participation. 314(d) money was used, in the case of BBHRO, as seed money. In the long run, it is quite clear that BBHRP will have to identify its own sources of support. Nevertheless, with a budget of only \$100,000 a year, BBHRO has been able to build a constituency and to promote important projects in

an area overpopulated with ineffective health care delivery agencies and organizations. This suggests that \$1,600,000 a year in "d" money might well have been used to promote reforms in the health care system and to improve local health services. Finally, insofar as strategy is concerned, perhaps "d" money ought to be channeled through "catalytic" groups and not hospitals seeking only to expand their services. If "b" agencies can not show success in mobilizing local resources, then perhaps "d" money ought to be given to new organizations to use as leverage.

Project Monitoring and Evaluation: The public health department has not attempted to evaluate or monitor any of the projects it has funded with 314(d) money. Since performance has never been taken into account in figuring annual appropriations, there has been little cause for state agency follow up. Since progress reports have not been required of the local grantees and contracts (which public health prefers to more elaborate proposals and application forms) have rarely specified measurable programmatic objectives, it is impossible to know whether 314(d) funds have had any impact on the overall quality of health care or the level of community health services in the Commonwealth.

In July 1972, the Department of Health, Education, and Welfare stripped Massachusetts of its role in administering a multi-million dollar grant-in-aid program designed to provide health services for children and pregnant women. The regional office accused the Public Health Department of fiscal mismanagement after discovering that (1) it was unclear how more than \$20 million had been spent over six years; (2) there were extended delays (over a year in some cases) in making payments to hospitals which were providing care for the beneficiaries of the program; (3) expenditure reports were filed with gross inaccuracies (and deviations from budget items had been made without required revision and permission); and (4) different types of grants to the states were intermingled without adequate controls. No one in the public health department denied any of the charges.³²

The point of this somewhat disheartening account is that the amount of money involved has very little to do with the state's willingness or ability to handle its grant management responsibilities. In the case of the 314(d) program, it was not just the relatively small size of the

³²Carl Cobb, "U.S. Ends Mass. Control of \$3.5M Health Program," Boston Globe, July 1, 1972.

annual grant that accounted for the department's inability and unwillingness to evaluate, follow-up, or monitor its operations. Perhaps one explanation is that both the original legislation and the administrative regulations established by the Public Health Service were terribly vague as far as the objectives of the 314(d) program were concerned. Since it was never clear what purpose 314(d) grants were supposed to serve (should they be used to seed innovative projects; to cover administrative costs in the face of inadequate state appropriations; to strengthen local health department, or rather, to bolster community health programs operating solely out of the state agency), evaluation was somewhat irrelevant. Since the state legislature has been unconcerned about how state matching funds for 314(d) are used (which is not surprising given that state legislatures only take an interest when asked to appropriate money for specific purposes), and since HEW has not required the state to submit project evaluations, there has been absolutely no pressure to take monitoring responsibilities seriously. Thus, there is no way to know which projects have been successful or to suggest which should be adopted or duplicated by other communities.

If program evaluation and monitoring were required, a disproportionate share of each year's grant would undoubtedly be used to build up and sustain an expanded administrative

staff in the state agency.³³ The trade-off is inevitable. In any case, the issue has not come up, since the prevailing image of 314(d) has been that of an entitlement rather than a consolidated set of categorical grants for which the states have to demonstrate a minimum level of performance to be eligible.

314(d) Allocations in the Massachusetts Department of Mental Health

The total budget of the Massachusetts Department of Mental Health is approximately \$150 million a year. In recent years, the Department has emphasized the development of community-based mental health facilities; efforts to lower the census of state mental hospitals; and the recruitment and training of community mental health workers. Special efforts have been made to expand rehabilitation programs for drug-dependent persons and narcotics addicts, and to enhance mental health services for children, especially the mentally retarded. All of these programs have been

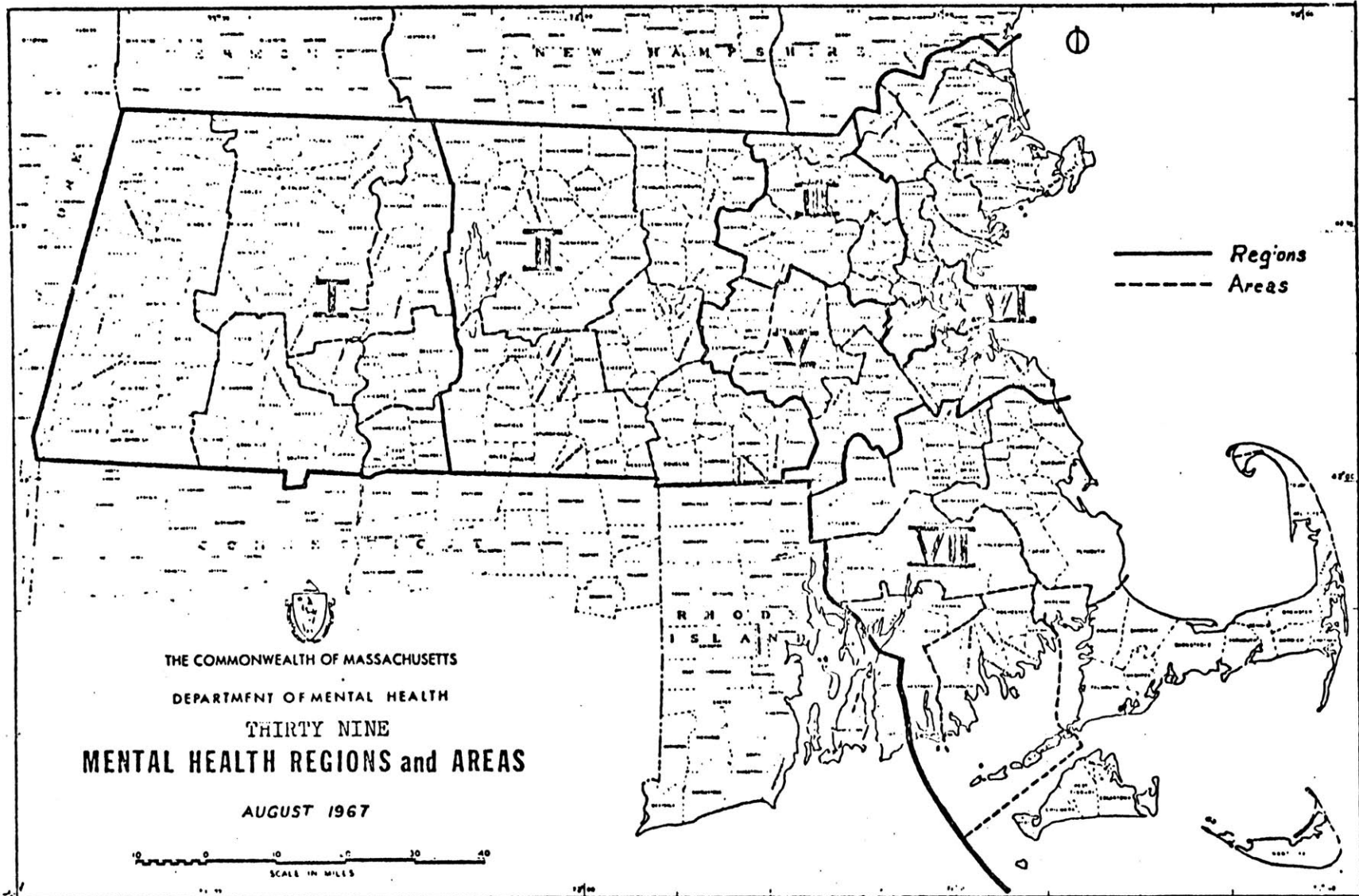
³³There would undoubtedly be a battle between the line agencies and the Executive Office of Administration and Finance over who would have responsibility for project evaluation. On the one hand, the "a" agency would be in the best position to judge whether or not "d" grants were helping to meet the objectives laid out in the state comprehensive health plan; on the other, the conflicts that such an arrangement would generate clearly would further undermine an already tenuous relationship.

handled through the department's own facilities (administered on a regional basis) as well as through community self-help treatment groups (which operate under contract to the state). With the support of legislative appropriations aimed at providing professional staff for forty catchment areas in the seven mental health regions of the state, mental health services in the Commonwealth have been decentralized to a sub-regional or "catchment area level."³⁴ (See Figure VI.)

While the 314(d) account has been the largest single discretionary fund administered by the department (other federal funds have traditionally been earmarked for particular institutions), annual 314(d) appropriations for mental health have not exceeded \$321,000 since the program began. It is not surprising, therefore, that up until very recently 341(d) funds were controlled almost exclusively by

³⁴Each of the catchment areas has a population of 75,000 to 200,000. There are seven regional offices with budgeting, planning, and service functions. Each has a 21-member board selected by the Commissioner from a list of fifty nominees prepared by a local nominating committee. Each region has an advisory council but these vary in strength. Some are mandated by law and others are not. Several regions have not been able to organize advisory councils at all. The Governor's Office has introduced legislation which would leave area boards alone, but would require that regional councils be formed consisting of 3 members from each area board and 10 gubernatorial appointees. Each region would then select two members to serve on the statewide Advisory Board together with the Governor's sixteen appointees.

Figure VI



a single person in the mental health department--Dr. B. H. Hutcheson, Assistant Commissioner for Children's Services.³⁵ Contrary to the situation in public health where 314(d) funds were locked into salaries protected by civil service, mental health has used its 314(d) funds almost exclusively for discretionary projects, many of which have demonstrated some of the advantages of flexibility that grant consolidation was supposed to provide. From 1968-1972, cities and towns (which were supposed to reap disproportionate benefits under the decateogrization program) received little if any direct aid. In some instances, 314(d) funds were used to cover salary increases for state personnel while state funds slowly worked their way through the accounting system.³⁶ In other cases, 314(d) funds were

³⁵Comments on the scope and operation of the 314(d) program in the Mental Health Department are based on interviews with Joseph Finnigan, Director of Budget and Cost Control for the Department of Mental Health, May 8 and May 30, 1972; George Grosser, Assistant Commissioner for Training, Planning, and Research, May 5, 1972; Dr. B. H. Hutcheson, Assistant Commissioner for Children's Services, May 26, 1972; Julia Saab, Administrative Assistant to Dr. Hutcheson, May 5, 1972; Dr. Wilfred Bloomberg, Deputy Commissioner for Mental Health, May 1, 1972; Alan Becker, Assistant to the Commissioner of Mental Health, May 10, 1972; Carol Brill, head psychiatric social worker for the Boston University/Boston City Hospital Child Guidance Center, May 23, 1972; Dr. Anderson, Assistant Commissioner for Community Services, May 23, 1972; Jill Kushner, Administrative Assistant to Dr. Grosser, May 10, 1972; Edward Goodwin, Accountant for the Department of Mental Health, May 5, 1972; Mrs. Joyce Brinton, Assistant Director of the Harvard Laboratory of Community Psychiatry, May 30, 1972.

³⁶Interview with Joseph Finnigan, *op. cit.* Federal funds were used more often than not to put people on the department payroll and then to locate them in department facilities, agencies, or organizations collaborating with the department.

used to cover basic administrative costs that should have been handled through regular state appropriations. In most cases, community-oriented projects initiated by the mental health department involved little or no input from citizens or the municipal officials. As in the case of the public health department, the availability of 314(d) funds was a well-guarded secret known only to a small number of health professionals with direct personal contacts in the mental health department.

Although the mental health department decentralized its operations, sub-state mental health regions were not coincidental with "b" agency boundaries, and "b" agencies were not involved at all in approving or commenting on 314(d) grants. Recently, the department made a special effort to "rationalize" its grant management procedures: application forms were created, progress reports required, and efforts were made to tighten up the accounting system. Allocations were still not made with reference to the state comprehensive health plan or to any other set of priorities specified by the department.³⁷ In large measure, this can

³⁷The mental health department submitted annual progress reports to the regional office of Health, Education, and Welfare in which they attempted to lay out department funding priorities and to relate mental health appropriations to the broad goals outlined in the state comprehensive health plan. Discussion with members of the mental health staff, however, indicate that these attempts were little more than window dressing and that the institutional planning capability in the mental health department has been very weak.

be attributed to the relatively small amount of money involved. A number of mental health officials have suggested that the level of funding did not justify the creation of elaborative administrative machinery. In addition, the amount of money sharply limited the extent to which the department was willing to encourage cities and towns to submit proposals (since most of them would stand very little chance of being funded). Although the mental health department has used its 314(d) funds to support a number of sophisticated and highly appropriate projects, the same problems that diminished the effectiveness of the block grant program in the public health department took their toll here as well.

The Allocation Process: Up until 1972, the only person in the mental health department knowledgeable about the operation of the 314(d) program was Assistant Commissioner for Children's Services, Dr. Bellenden Hutcheson. He had almost complete control of the funds, although the Deputy Commissioner could certainly have overruled him if he wanted to. The relatively small sum of money involved protected Dr. Hutcheson from higher-level interference. When a new Deputy Commissioner took office in 1971, he appointed a federal funds committee (Dr. Hutcheson was made executive officer) and brought in the accounting department

in an effort to monitor the expenditure of 314(d) money. Annual appropriations to the mental health departments were generally divided up as follows: \$12,000 to each of five or six assistant commissioners; \$85,000 for a "grab-bag" of community-oriented projects selected on a competitive basis; \$60,000 for staff development (training and internships); and \$100,000 for departmental administrative expenses including travel, conferences, equipment and publications.³⁸

The 314(d) Committee met regularly to evaluate applications and to determine how much money would be spent for community projects. Applications were accepted from all public and private agencies, but very few people had access to any information about the availability of the funds. No special effort was made to publicize the 314(d) program. Thus, most applicants were professionals who heard about the program through the grapevine. The \$85,000 set aside for community-oriented projects was considered seed money, supposedly only available for a year or two. However, since the 314(d) guidelines prepared by the mental health department provided little if any guidance in project

³⁸Interview with Dr. Wilfred Bloomberg, op. cit. A review of the budgets contained in the 1969 and 1971 progress reports to HEW confirmed these figures.

selection, and since each assistant commissioner had complete control over his individual sub-accounts, it was possible in several cases for projects to receive continuous funding.

The Assistant Commissioner for Community Services (who also received an allocation of \$12,000 to use as he liked) was not invited to sit on the federal funds committee. He had no say in the evaluation of project proposals.³⁹ In some cases, 314(d) funds were used to ease the cash flow problem in the department. In July of every year, a number of employees (for whom only limited funds were available) were switched to consultant status (fee for service contracts) and paid out of state funds; in November when the federal check arrived, these employees were transferred to the 314(d) account. When federal funds ran out (and every effort was made to ensure that annual appropriations were depleted) these employees switched back to state funds. This process became a little more complicated in 1972 when the Executive Office of Administration and Finance decided that the rather skimpy forms completed by state agencies

³⁹Interview with Dr. Anderson, op. cit. Dr. Anderson suggested that he was given \$12,000 a year and his job was to spend it. If he asked any questions, he felt he might lose the \$12,000 allocated to him and kick off a battle with the other Commissioners.

hiring consultants would no longer be acceptable. Since then, formal contracts have been required, and it has become easier to find out what 314(d) funds have been used for (although in many cases project descriptions have been terribly exaggerated). Such exaggerations are most obvious when informal budget documentation (prepared only for departmental purposes) is compared with annual progress reports submitted to the regional office of the Department of Health, Education, and Welfare. Sub-accounts representing nothing more than open-ended awards to assistant Commissioners, have been described as "projects." For example, Dr. Hutcheson's administrative secretary, whose salary was paid out of 314(d) funds, was listed as an expenditure under "program development in the office of Children's Services" and as part of a project "to handle inquiries from the field relative to the delivery of children's services" and "to influence budget content in conformity with federal-state plans."⁴⁰ Another Assistant Secretary used 314(d) funds to cover his secretary's salary under a project titled "Community Services" alluding to "the preparation of a monthly newsletter."⁴¹ In addi-

⁴⁰Department of Mental Health, Progress Report (July 1, 1971-March 30, 1972), Section 314(d) of the Public Health Service Act, May 15, 1972, p. 12.

⁴¹Ibid., p. 9.

tion, 314(d) funds were used as "bail-out" money to cover unanticipated costs or project overruns.⁴²

Although 314(d) funds were used as pin money by the assistant commissioners, it would be unfair to suggest that the mental health department frittered away its entire 314(d) allocation. Numerous administrative and supportive expenditures (including payments for data processing and research activities) were extremely valuable. These expenditures are always difficult to bury in the line-item budget submitted annually to the state legislature. Since the legislature is notorious for its unwillingness to support research or planning, 314(d) funds and other similar funds play an important supplemental role. This suggests, though, that the legislature needs to be turned around and not that the 314(d) program is necessary for an effective inter-governmental partnership.

Fellowships for departmental trainees and interns were funded annually with 314(d) money. Departmental spokesmen admit that the \$60,000 used annually for staff development might be an inappropriate use of 314(d) money; however, since the state legislature is willing to finance only psychiatric residents and not training programs for other

⁴²Interview with Joseph Finnegan, op. cit.

mental health professionals (such as psychologists or social workers), the practice persists. Almost \$8,000 was set aside each year to cover travel costs incurred by staff members attending conferences. Traditionally, \$12,000 was spent for the publication of the Massachusetts Journal of Mental Health (which after three years could hardly be called an innovative project). These 314(d) expenditures were not unreasonable, but it would be difficult to argue that they contributed in any direct way to the improvement of community health services in Massachusetts. Moreover, it is certainly not clear why national funds (as opposed to state or private money) should have been used to cover costs such as these, or why these funds could not have been administered just as effectively (or ineffectively) by the regional HEW office.

Mental health 314(d) allocations for certain years are extremely difficult to track down. The attached budgets (Tables XIV and XV) for 1969 and 1971 help to give a general idea how 314(d) money has been used. Since annual expenditures have remained relatively constant, these two tables provide a fairly accurate picture of the essential characteristics of 314(d) allocations in the mental health department.

Table XIV

MASSACHUSETTS DEPARTMENT OF MENTAL HEALTH 314(d) ALLOCATIONS

1969

s-1	State Clinic Services:	
	Boston University Child Guidance Center	\$ 9,000
	Cambridge Mental Health Center	13,600
	Springfield Guidance Center	12,300
	Newton Mental Health Center	5,000
	Mystic Valley Clinic	11,500
	Central Office, DMH	10,000
	Equipment	8,000
s-2	Travel	8,000
s-3	Community Mental Health Monographs	11,000
s-4	Clinic Data Processing System	7,500
s-5	Key Punch Machine	480
s-6	Professional Program Development--Office of Deputy Commissioner	12,000
s-7	Laboratory of Community Psychiatry	13,000
s-8	Electronic Data Processing and Retrieval Systems	30,620
s-9	Research Planning, Training and Program Development	12,000
s-10	Mental Retardation--Program Development	12,000
s-11	Inservice Training	3,400
s-12	Community Mental Health Service Program Development	12,000
s-13	Area Board Inservice Education, Information	6,000
s-14	Children's Services	12,000
s-15	Administrative	3,500
s-16	Research Report Journal	1,200
s-17	Remedial Program for Perceptually Disturbed Children	5,000
s-18	Half-way House Effectiveness Study	500
s-19	Study of School Failure Remediation	4,200
s-20	Public Attitudes Toward Mental Health Care	3,000
s-21	Ecological and Demographic Studies of the Commonwealth	3,000
s-22	Selection of Children in Roxbury for Chapter 750 Program	1,200
s-23	The Promotion of Citizen Participation	<u>18,000</u>
		\$247,000

Table XV

(Page one of two)

MASSACHUSETTS DEPARTMENT OF MENTAL HEALTH 314(d) ALLOCATIONS

1971

s-1	Boston University Child Guidance Center	\$ 14,000
s-2	Travel	8,000
s-3	Senior Supervisor in Education for Planning, Research and Training	11,000
s-4	Inservice Training	4,000
s-5	Professional Program Development--Office of the Deputy Commissioner	12,000
s-6	Mental Retardation Program Development	12,000
s-7	Community Services (Assistant Commissioner)	12,000
s-8	Research Planning and Training (Assistant Commissioner)	12,000
s-9	Program Development--Office of Children's Services (Assistant Commissioner)	12,000
s-10	Massachusetts Public Health Association	750
s-11	Massachusetts Association for Mental Health	1,500
s-12	Management Training Program	4,000
s-13	Monographs and Related Printing Activities	14,000
s-14	Massachusetts Journal of Mental Health	2,500
s-15	Equipment, Supplies including Video Equipment	8,000
s-16	Community Development of Programs for Children (computer programming for regional data analysis)	19,000
s-17	Development of Community Programs (grab-bag)	72,350*

*Approximate breakdown of s-17 account:

Laboratory of Community Psychiatry (Harvard)	\$18,000
Boston-Brookline Health Resources Organization	15,000
Attleboro-Wheaton Children's Project	1,500
Fidelity House--Lawrence, Massachusetts	3,500
Boston State Hospital Adolescent Services	3,000
Grace Church Nursery School	2,500
Greenfield Health C mp Association	6,260
Worcester State Hospital Program for the Elderly	5,2
Model Cities Coordinator	2,000
Training Program for Foreign Physicians	4,000
University of Mass. Joint Training Program	10,900
Association for Mentally Ill Children	<u>4,500</u>
	\$75,480

Table XV

(Page two of two)

s-18	Springfield Guidance Center (State Clinic Services)	\$ 2,400
s-19	Department of Education Joint Program (Chapter 750 certification)	5,000
s-20	Community Mental Health Think Tank	4,000
s-21	Management and Related Information System (Assistant Commissioner)	40,000
s-22	Area Board Workshop/Conference	1,500
s-23	Psychological Training (Internship)	3,800
s-24	Psychological Training (Internship)	3,800
s-25	Psychological Training (Internship)	4,700
s-26	Psychological Training (Internship)	4,700
s-27	Social Work Training	15,000
s-28	Psychiatry Training (Internships)	<u>16,000</u>
		\$320,000

The monies assigned to each assistant commissioner as well as the funds used for general-purpose administration within the state agency (i.e., travel, information systems development, printing, and staff salaries) have consistently eaten up 70-80% of the total 314(d) allocation to the department. Although these funds have provided administrative flexibility, they have not served any national purpose.

From the inception of the program, the 70% pass-through requirement was not met. The intention of the original legislation was clearly that 70% of all 314(d) funds be spent within (but not necessarily by) local units of government. This would exclude general state administrative expenses even if they were aimed at upgrading community-related services provided by state offices. At best, the mental health department has spent 20-30% of its annual appropriations for community-based projects. Several of the community development projects selected on a competitive basis clearly have served the intentions of the Partnership for Health program. (It is interesting to note that the mental health department spent more money on competitive community-oriented projects than the public health department even though mental health has received no more than 15% of the total allocation of 314(d) money in any given year.) Perhaps if the 70% pass-through

requirement had been enforced and the mental health department had been given greater control over a larger share of 314(d) money, many more interesting and useful projects designed to enhance community health services might have resulted.

Illustrative Projects: Projects that seem to have won general approval include:

- a training program for community "caretakers"--a demonstration effort funded in the Taunton area (for about \$6,000) to teach clergy, family doctors, and others likely to come into contact with those who need help, how to handle referrals and how to take case histories. In a single year more than eighty individuals were served by the training program.
- a model cities coordinator--a staff member was hired to coordinate the work of the mental health department and the state model cities office. She was able to identify professional resources and to tie together project proposals for model city groups around the state.
- foreign physician training program--a special curriculum was developed to assist the 77 foreign medical school graduates who needed special tutoring in order to pass new state certification exams by January 1, 1975. They were tutored in the use of colloquial English and medical English. Funds would not have been available soon enough from the state legislature to ensure that many of these physicians who played key roles in various state hospitals would have been able to pass the necessary exams.

Another project points out some of the defects in the 314(d) allocation system. A grant was awarded to the Cambridge-Somerville Mental Health Area to develop a unified data collection system. A multi-year contract with RCA led to the development of an experimental data system for maintaining accessible patient and cost information to be used in evaluating and controlling community-based services.⁴³ The Cambridge-Somerville area was selected by the mental health department as an appropriate area to test the applicability and the efficiency of the model data system. The Mental Health Department agreed to furnish the technical assistance and the software for the data system while the local mental health association promised to make personnel, space, and office equipment available for the collection and processing of information. The state department of mental health contracted with RCA (for \$80,000 over a nine-month period) to determine who was getting what care, what the cost per unit of service was, and to develop a measure of program effectiveness.⁴⁴

⁴³ R.C.A. Systems Development, "Development of a Mental Health Area Management Information System," Contract Progress Report No. 1, September, 1971.

⁴⁴ Interview with Laurie Luft, Assistant for Program Evaluation to the Area Director (Cambridge/Somerville) and Dr. Reed, Director of the Cambridge Mental Health Association, May 15, 1972; interview with Dave Winter, RCA representative at the Department of Mental Health, May 23, 1972.

The decision to use Somerville as a case-study area (although not inappropriate) was an afterthought.⁴⁵ Negotiations between the Assistant Commissioner for Planning (in the State Department of Mental Health) who had pushed for the development of the data system in the first place and the head of the Cambridge-Somerville Center led to the signing of a contract. Although a review committee which included key figures in Cambridge-Somerville was established, the clinicians who were to provide the day-to-day service were never consulted or involved, nor were consumer representatives. Both groups reacted negatively to the proposed project. The clinicians refused to take the time to fill out the required forms while many patients raised questions about the confidentiality of the information being sought. Additional funds had to be appropriated to hire research assistants to fill out the forms and to conduct the required interviews when the clinicians refused to participate. After more than a year, no decisions were made about how to use the information that was finally collected. Efforts to raise additional funds needed to

⁴⁵Interview with Laurie Luft, *op. cit.* The first choice for a pilot area was the Erich Lindemann Center in Boston, but construction on the building fell way behind and it appeared that the patient load at the Lindemann center would be unusually small. Cambridge-Somerville served a large, diversified population and had its own centralized information system.

institutionalize the data collection system were fruitless since the legislature refused to put any money toward the project.

The experiment was less than successful because it was imposed by the mental health department on an unsuspecting community agency (whose director was not smart enough to turn down the funds). Area board members were not involved at all in the design or implementation of the project. Moreover, no attempt was made to justify the investment of 314(d) money in data systems as opposed to other competing community needs. Since each assistant commissioner had the option of setting his own priorities there were no countervailing voices to question this 314(d) allocation decision.

The \$85,000 in 314(d) money set aside annually for community-oriented projects went to provider rather than consumer groups. In large part, this was the result of the relatively informal and closed information loop through which word of the 314(d) program travelled. In the final analysis, few if any 314(d) projects were actually community-initiated; most were developed by universities or hospital-affiliated groups of professionals. Absolutely no attempt was made to tie 314(d) allocations

to "b" agency needs and priorities. In fact, in at least one regional office, there was real conflict between the "b" agency director and the mental health regional coordinator who allegedly refused to share information about the status of certain mental health projects.⁴⁶

Evaluation and Follow-up: The mental health department did not engage in any systematic evaluation of projects funded with 314(d) funds. Project directors were asked to submit annual statements describing their activities, but no attempt was made to document what has actually transpired. Since project objectives were not spelled out, it was impossible to undertake meaningful evaluations. Even simple descriptive summaries, however, prepared by independent evaluators might have enabled at least some institutional learning to take place. Perhaps it is unfair to fault the department of mental health for its failure to monitor or follow-up 314(d) projects. Such a small amount of money was involved. Yet, if the public health and mental health departments had collaborated (or if the "a" agency had somehow gotten involved), it might have been possible to set up one relatively efficient mechanism for project evaluation.

⁴⁶Interview with Ann McGrath, Executive Director, Comprehensive Health Planning Council of Central Massachusetts, May 11, 1972.

Although "d" money in mental health was labelled as seed money, many of the projects initiated in 1968-69 were still receiving 314(d) support in 1972 (including the Harvard Laboratory of Community Psychiatry, Boston University-Boston Hospital Child Guidance Center, the Massachusetts Journal of Mental Health). Since the funding process has been highly personalized, it is not surprising that some projects are still receiving aid. As long as priorities are not constantly shifting and funding is based primarily on personal professional contacts and not performance, projects can easily become permanent fixtures in the 314(d) budget. In short, there is no way to justify cutting off funds for a project once it has started since neither performance nor changing state priorities has anything to do with the allocations process.

Neither the state legislature nor the governor has attempted to influence 314(d) allocations. The regular mental health department budget has always exceeded the required state matching share.⁴⁷ The state legislature has not had

⁴⁷The mental health department must "put up" \$400,000 to get the \$320,000 allotted for state mental health. This has not presented any problems because the mental health department has been able to show more than a total of \$400,000 allocated each year for community services.

to appropriate money explicitly for the 314(d) program. Consequently, most legislators have not been aware that their constituents have been eligible for support under the Partnership for Health.

Some of the projects funded under the community grab-bag and even on occasion a project funded independently by an assistant commissioner have approximated the intentions of the original 314(d) legislation. Most of the grants, however, have been too small and too loosely conceived to have any chance of catalyzing reform in the health care delivery system. All in all, there has been little to justify decategorization of health grants or to suggest that the state government has been better able to identify and serve local needs than the Washington bureaucracy. If anything, the availability of a 314(d) slush fund has taken the pressure off the state legislature to meet its responsibilities in the health-care field.

Key Factors in the 314(d) Allocation Process

Several factors have contributed to the terribly slipshod manner in which the states have managed the 314(d) program.⁴⁸ First and foremost has been the attitude toward

⁴⁸Many of the conclusions in this section are based on a report prepared by Leonard Robins, "The Impact of Decategorizing Federal Programs: Before and After 314(d)," Health Services Research Center, Minneapolis,

block grants prevailing among state officials. Formula grants have been viewed as entitlements and not as awards requiring at least a minimal level of performance. This interpretation is reinforced by the laxity with which regional HEW officials go about the job of auditing and monitoring 314(d) expenditures. Second, the 70% pass-through requirement has not been taken seriously. Practically no effort has been made to inform cities and towns about the availability of 314(d) funds. As long as the demand for money is minimal, the states will be content to use block grants for general administrative purposes. Third, the goals of the 314(d) program were never made explicit. Thus, the states have received little if any guidance regarding the use of 314(d) money. In the absence of a strong push from Washington or a carefully articulated set of legislative objectives, state officials are disinclined to use block grants for local health services, especially since state health departments have themselves been financially undernourished. Finally, the anticipated increase in 314(d) appropriations never materialized. Thus (d) money never constituted a large enough

Minnesota, 1971 in which the responses of public health officials from all fifty states to a rather elaborate questionnaire regarding the allocation of 314(d) funds were summarized. An abbreviated version of Robins' findings was published in the American Journal of Public Health, January, 1972 under the same title, pp. 24-29.

proportion of the state's health budget to significantly alter traditional administrative arrangements or to allow for the establishment of even the most basic evaluative machinery.

The notion of entitlement: The state health officers in charge of 314(d) allocations have praised the flexibility permitted under the block-grant program.⁴⁹ The removal of various regulations on the use of health grants was intended to allow state agencies to spend shared revenues as they saw fit. Of course, the original ACIR proposal for modification of public health services grants would have accomplished the same thing without a total relinquishment of national responsibility. ACIR proposed that the governors be authorized to transfer funds from one categorical account to another in response to specialized state needs.⁵⁰ Although decategorization has helped to eliminate some of the "red tape" associated with federal grants-in-aid for health services, it has led to many of the problems predicted by the critics of block grants.

⁴⁹Robins, op. cit., quotes extensively from open-ended comments made by state health officials on the flexibility of the 314(d) program.

⁵⁰Advisory Commission on Intergovernmental Relations, Modification of Federal Grants-in-Aid for Public Health Services, op. cit.

It is important to understand what happened when what seemed to be unnecessary regulations were lifted. Somewhat surprisingly, state agencies continued to use 314(d) funds in much the same way as they had under the old categorical system.⁵¹ Earlier categorical grants were used to pay the salaries of state employees who came under the protection of civil service regulations. The switch to block grants did not minimize the need to maintain these salaries. Secondly, as soon as the states were no longer required to submit annual plans outlining how monies had been or would be used, local officials lost what leverage they had on the expenditure of federal funds. After decategorization, the states were only required to assert that each proposed use of 314(d) funds would not directly conflict with existing state comprehensive plans (which in turn were not scrutinized for compliance with national objectives). In the absence of formal plans available to the public, state officials could arbitrarily put off local requests for assistance. The state was no longer forced to commit itself to a program of any kind; thus city and town officials had no means of gearing local programs to state priorities or of checking to see whether or not

⁵¹Robins, op. cit., point out that this has been true in other states as well as Massachusetts.

their requests were turned down arbitrarily. In addition, state public health departments were not required to touch base with related public agencies and private groups. When formal documentation and plans were required, the state felt obliged to make some effort to clear proposed expenditures and project priorities with interested groups. Once state health officials realized that the federal government was taking a hands off policy, they no longer felt obliged to observe any of the niceties of interagency or intergovernmental collaboration.

With the lessening of federal restrictions, the executive branch was no longer able to justify a hefty national investment in the cost of federal program administration. Officials who had handled the job of monitoring state and local expenditures were expendable. Regional HEW officials soon realized that there was no way they could monitor 314(d) expenditures or evaluate the outcome of 314(d) projects in a serious or systematic way. Under the open-ended block grant approach, an even greater investment in regional audit and review functions should have been forthcoming. There was no way to routinize grant management procedures once the states were allowed such broad discretion.

Under the Partnership for Health there has actually been far less communication between federal and state officials than there was under the old categorical system. Previously, state officials were obliged to check with federal program officers every time minor exceptions to the categorical grant guidelines were desired. Under the new block grant system, state officials had no reason to work through their counterparts at the national level. As it turns out there was more of an intergovernmental "partnership" before the passage of the 314(d) program than after. Without the pressure of federal review and evaluation, state-local contact fell off. The flow of money through to local units of government was reduced to a trickle. Both the hands-off policy at the national level and the state's failure to maintain contact with federal and local officials can be traced back to the prevailing attitude toward block grants. Under the 314(d) program, federal grants-in-aid have been viewed as something to which states are entitled regardless of past performance or proposed objectives.

The failure to pass-through the required 70%: The Partnership for Health legislation required that at least 70% of the state's portion of "d" money be used solely for the development and support of local community services. These

local services were to be provided by local agencies or in part by state agencies. It was expected that this would vary according to pre-existing patterns of organization and divisions of responsibility. It was clearly intended, however, that only those services provided in and for local communities were to be paid from the 70% allotment. With the remaining funds, state public and mental health agencies were supposed to expand their capacity to direct, plan and evaluate programs and to provide consultation and technical assistance. One of the key provisions of the legislation was that the programs and services paid for out of 314(d) funds would be selected in accordance with the planning decisions made by the "a" agency and its consumer advisory council.

From the inception of the program, up until 1973, Massachusetts failed to observe the mandatory pass-through requirement. Cities and towns in the state were not made aware of the existence of the 314(d) program. The "a" agency was uninvolved in 314(d) allocations while the "b" agencies were given absolutely no role to play in either planning for or evaluating "d" expenditures. In effect, the public and mental health departments distributed 314(d) funds according to their own interpretation of state and local needs. In reviewing the few community-based projects that

have been funded with 314(d) money, it is clear that most projects were fashioned with little or no input from community groups or local officials. For the most part, state officials parceled out 314(d) funds to professional associates and provider groups (particularly those affiliated with hospitals). If nothing else, this suggests that line agencies are not inclined to use federal funds to rock the boat. In the absence of national pressure for citizens or consumer input at the local level or a special focus on institutional reform, line agency officials have not generally used 314(d) funds to promote new and better approaches to the provision of community health services.

State officials have argued that the pass-through requirement meant only that the funds had to be used to provide services for local communities (which public health officials claim that they do with every dollar in their budget) and not that the state had to work with local officials and citizen groups to develop new service delivery capacities in cities and towns. The failure of the state government to observe the mandatory pass-through requirement has in large part been due to the emergent concept of block grants as an entitlement.

The failure to make the goals of the program explicit: One

advantage of the old categorical or project grants was that they allowed the federal government to focus public attention on special health problems. This provided a means of marshalling public and private resources in a timely manner. In opting for block grants, Congress relinquished all responsibility for the definition of health-care priorities.

When the Partnership for Health was originally debated in Congress, there was strong opposition to block grants from various special interest groups representing professional organizations (such as the American Dental Health Association) which had traditionally provided services funded under the old categorical grants. They were worried that the level of funds set aside for their specific activities would drop if allocation decisions were left to the states. They were right. Once categorical grants were replaced with a block grant, the largest portion of "d" money went to cover state administrative costs. Since the various interest groups were organized nationally but not at the state level, they lost any leverage they had over the allocation of funds. Although special-interest groups have at times presented a distorted view of health needs in order to suit their own purposes, they have also served as watchdogs--holding public officials accountable for the definition and scope of particular services. These groups

have not reappeared at the state level, and the informal monitoring and review functions that they played has not been picked up by any other organizations.

The code words of the 314(d) program were coordination, integration, flexibility, and intergovernmental partnership. No effort was made to set targets of any kind regarding anticipated reductions in levels of disease or increases in the scope of services to be provided to key client groups. Once flexibility was substituted for more precise goals, partisan groups lost interest in the program. The definition of health needs and the task of evaluation were left to the states; but they were only too glad to sidestep these responsibilities.

The failure to appropriate new money: When the Partnership for Health bill was originally proposed, there was hope that the level of funding for health services and health planning would increase sharply. In 1967 (the last year under the old categorical formula grants), Congress appropriated \$55 million for the categorical formula grants. In fiscal year 1968, under the new block grants, Congress appropriated \$62.5 million. In fiscal year 1969, the appropriation increased slightly to \$66 million, barely enough to cover

the costs of program maintenance.⁵²

In fiscal year 1970, the states received \$100 million for 314(d), but \$18 million had to be used to cover project grants for tuberculosis which were discontinued.⁵³ In short, the adoption of the 314(d) program did not result in a dramatic increase in federal aid to state health departments. This is significant for two reasons. First, it suggests that block grants are not as elastic as might be expected. That is, categorical grants for maternal and children's health as well as for crippled children [which existed prior to 314(d)] continued to increase. In addition, new categorical programs in health were added. Had all of these been incorporated into a block grant, the level of appropriations might have grown as expected. But the partnership for health was not enough to satisfy either the Congress or the special-interest groups. Both continued to push for greater federal expenditures in the health field. Neither was satisfied with the idea of adding incrementally to the new block grant programs. That would not have provided the visibility that these groups were seeking.

⁵²Robins, op. cit., (APHA), p. 26

⁵³Ibid.

In part, the fact that decategorization failed to bring about any startling changes in state health programs may be explained by the relatively constant level of funding, for unless new resources are injected into a situation, things tend to continue roughly as before.⁵⁴ Although the block-grant approach gave the states additional freedom, it did not substantially increase the slack resources available to state health officials.

It appears that without strong federal pressure and an explicit definition of national need, line agencies at the state level are likely to slip into a pattern of grant allocation most responsive to short-term financial needs imposed by civil service regulations. A substantial increase in discretionary resources might counteract this trend, but this assumption has still to be tested.

Summary

The new federalism proposed by President Nixon had at its core a concern for greater governmental efficiency and responsiveness. Decategorization was heralded as a first step in that direction. Under the old categorical system,

⁵⁴Charles Lindblom, "The Science of Muddling Through," Public Administration Review, 19: 79-88, Spring, 1959.

federal grants-in-aid allegedly distorted state priorities. Since categorical grants provided two dollars of service for every one dollar of state expenditure, the natural tendency was to spend money on federally-supported services, even if they were not the highest priority. The states also argued that the national government did not understand the nuances and shadings of local needs and problems. Hence, national intervention aimed at solving problems in all fifty states could not possibly meet the special needs of any single state. Also, state officials charged that federal grants-in-aid had grown so numerous and so complicated that they had become inaccessible to all but the most skilled grantsmen. The hope was that decategorization could overcome these problems and restore a more favorable balance to the American federal system.

The results have not been encouraging. The 314(d) experiment suggests that state governments are less interested and less attuned to local problems--particularly city problems--than the national government. Administrative structures at the state level have been particularly ill-suited to the job of allocating block grants. Although less cumbersome and less formal than the national bureaucracy, state agencies have tended to be secretive, and responsive only to personal and highly professional inquir-

ies. The state government has shown very little concern for the details of grant management and accounting. State officials have not been held accountable to any one. Once out from under the close scrutiny of the federal government, the states have ignored the basic intentions of the Partnership for Health program and failed to observe the most rudimentary guidelines governing the allocation of 314(d) money. Massachusetts has made no effort to evaluate or monitor the impact of 314(d) funded projects or to probe the successes and failures of various efforts to strengthen community health services. Finally, the states have been unable to tie planning to program implementation or to promote widespread involvement of client or consumer groups in efforts to improve regional and local health care delivery.

From the standpoint of state public health and mental health officials, 314(d) funds have provided new flexibility. That is, the agencies have been able to use federal funds in almost any manner without having to justify their actions either before or after. Although the option of shifting money from one pre-existing category to another is now available, no effort has been made to determine what special needs exist. In addition, civil service obligations have sharply limited the flexibility that many proponents of

the block-grant concept thought would be forthcoming. Funds were supposed to flow through to cities and towns more quickly since most of the red tape was being eliminated. Moreover, once ultimate authority was transferred to the states, cities and towns were supposed to be able to find a more sympathetic ear than they had been able to find in Washington. If the Massachusetts experience is at all indicative, and the evidence seems to suggest that it is, the added flexibility that has come with the block grant has not resulted in any appreciable gains for cities and towns.

The 314(d) experience in Massachusetts suggests serious problems with block grants:

- (1) The mandatory pass-through requirement has been ignored. This has largely resulted from the national government's failure to take its auditing and monitoring responsibilities seriously. If block grants are designed to reduce the size of the federal budget by cutting back on federal administrative staff, then we will be locked into a situation in which there will be no capacity for auditing and monitoring state expenditures. As soon as that happens, there is a strong possibility that federal guidelines will go unheeded.
- (2) The attempt to tie comprehensive planning to project funding failed, partly because planning efforts were divorced from grant management responsibilities and partly because the goals of

the 314(d) program were never made explicit by the Congress. The failure to define national program objectives in measurable terms puts the states in an all-powerful position. Once a program has begun under a very vague mandate, neither the cities nor the national government has any grounds upon which to object to state spending patterns. Once the Congress gives away its policy-making prerogatives, the cities are at the mercy of state officials.

- (3) The failure to require a hard cash match from states has limited state legislative involvement in the grant-giving process and has protected state agency officials from any kind of legislative review. Although legislative involvement may not be desirable in and of itself, it can at least guarantee that state administrative officials have to account publicly for their actions. In addition, legislative involvement might help to channel information through to cities and towns, thereby creating a more effective demand for project funding at the local level.
- (4) Once the red tape that local officials claim is so incapacitating has been eliminated, the result is that local officials have no way of finding out about priorities for 314(d) spending nor any way of holding state officials accountable for the scope and level of project funding. It turns out that the publication of plans serves several hidden functions. In addition, the more informal the grant-giving process becomes, the fewer chances non-professionals have of receiving support.

- (5) Because block grant funding was not increased beyond the level that existed under the old categoricals, there was little chance of stimulating new ways of managing state and local health services, especially since most of the funds were encumbered by long-standing civil-service obligations. Block grants cannot remain static over time, they must grow to accommodate changing public perceptions of national need. Yet, neither the Congress nor special-interest groups seem content to add incrementally to an undefined pot of money. The visibility of such actions is insufficient.
- (6) The arbitrary 15-85% split between mental health and public health has been an obstacle to effective experimentation in Massachusetts. The mental health department--because it does not seem to be as incapacitated by earlier civil-service obligations--has been free to use 314(d) funds more imaginatively. Although the Governor could have intervened to shift the percentage in favor of the mental health department, he remained aloof. In part, this may be because earlier categorical grants were the private domain of health department officials or because the subtleties of decategorization may not have seeped through to the state executive office.
- (7) The mental health department is paying a price for its inability to establish effective mechanisms for consumer and citizen participation at the local level. Had they been able to rally popular support for their programs, they might have had the backing needed to force the Governor

to adjust the 85-15% split. In this case, the failure to publicize the 314(d) program and to involve local groups in program activities has come back to haunt the state agency.

Decategorization has failed. There is hardly even a need to evaluate the outcome of specific projects supported under the 314(d) program. Very little money has actually been used to support community-based projects. In the few cases where project grants have been made to local groups, they have been extremely small, unrelated to overall planning efforts, and available only to provider groups intent on expanding existing patterns of health care. Most of the 314(d) money allocated to Massachusetts has been used to underwrite state administrative costs supposedly prohibited under the Partnership for Health legislation. More than anything else, the failure of decategorization can be traced back to the elimination of planning and project review requirements and to the emergence of the concept of state entitlement.

Chapter V: Decision-Making and Resource Allocation
in State Government

Resource allocation decisions in state government are influenced by federal and state legislation, planning requirements, national politics, and other external factors. They are also molded by internal incentives and controls that shape the perceived survival needs of state and local officials, limit the flow of timely information through professional channels and impose even more powerful constraints on administrative behavior. Together these internal and external factors account not only for the overall pattern of block grant allocations, but also for difficulties involved in achieving lasting institutional reform via block grants or any other form of intergovernmental fiscal transfers.

The lessons of LEAA and 314(d) in Massachusetts are summarized along with a series of propositions regarding the possibilities of achieving institutional reform through the allocation of shared revenues. In addition, I have tried to identify the key variables and decision rules that explain how block grants are allocated by state administrative agencies.

Background

The question of how states decide to allocate federal block grants must be answered apart from the larger question of how state governments decide to allocate their own internally generated tax revenues. Decisions to allocate tax money for education, housing, or environmental protection are made in separate policy arenas. Each decision depends on a different set of policy-makers and reflects the input and involvement of separate interest groups. In this context, it may be pointless to postulate an all-encompassing, state-wide political system that processes disparate policy inputs and environmental variables and grinds out expenditure decisions in a consistent and explainable fashion.¹ On the other hand, it does not seem at all unreasonable--given the highly constrained and relatively transparent set of choices associated with the administration of federal grants-in-aid--to assume that the processes by which state officials allocate block grants can be explained in terms of a consistent model of administrative behavior that applies equally well to grant allocations in education, health, transportation, or criminal justice. In general state budgeting seems to involve a set of

¹Robert Dahl, Who Governs? (New Haven: Yale University Press, 1961).

relatively autonomous processes only "occasionally linked on the floor of the legislature or in the chief executive's office." Block grant allocations, on the other hand, may best be explained by a set of administrative influences that apply across the board.²

To understand block grant allocations, it is necessary to evaluate the factors which shape the pattern of grant allocations and also the organizational and environmental variables that impede the use of block grants to promote institutional reform. Some political scientists have suggested that legislative malapportionment, party competition, interest group activity, and voting behavior account for the outcome of state resource allocation decisions, but for the most part their findings refer to legislative and not administrative actions.³ In a few isolated instances, attempts have been made to explain policy adoption (i.e., expenditure decisions) in terms of the roles

²For a general review of the evidence regarding decision-making and resource allocation in state government, see Herbert Jacobs and Michael Lipsky, "Outputs, Structure, and Power: An Assessment of Changes in the Study of State and Local Politics," The Journal of Politics, Volume 30, No. 2, May 1968, pp. 510-538.

³Jacobs and Lipsky, note 2 above, cite the work of a great many authors including Froman, Sharkansky, Fisher, Sachs, Dye, Easton, Chaffey, Zeller, and Dawson.

played by intervening institutions such as school committees or budgetary agencies. Even in these cases, though, the linkages between political inputs and policy outputs have for the most part gone unexplained.⁴

Competing theories of organizational behavior (all of which are based on the theory of the firm) have been used to explain resource allocation decisions in still other terms.⁵ The most important groups--the institutionalists (Barnard, Selznick, and Thompson), the Carnegie School, and the "scientific" school of policy analysis have failed to come up with theories of administrative behavior that help to explain how block grants are allocated by state administrative officials.⁶ Selznick and Thompson, while opening up new vistas in the study of complex organizations, were unable to provide more than a static image of how good leaders exert a strong influence on the life of an organization by shaping overall objectives and how organizations

⁴Jacobs and Lipsky note Nicholas A. Masters, Robert H. Salisbury, and Thomas H. Eliot, State Politics and the Public Schools (New York: Alfred A. Knopf, 1964), and Thomas J. Anton, The Politics of State Expenditures in Illinois (Urbana: University of Illinois Press, 1966).

⁵For a summary of the contributions of the various schools of organizational theory, see Joseph L. Bower, "Descriptive Decision Theory from the Administrative Viewpoint," in Raymond A. Bauer and Kenneth J. Gercen (eds.), The Study of Policy Formation (New York: The Free Press, 1968), pp. 103-148.

⁶Ibid.

seek to maximize efficiency by continually adjusting approaches to on-going tasks.⁷ The Carnegie School, represented by Cyert, March, and Simon, attempted to systematize and elaborate earlier propositions regarding the "interaction of individual motivation and formal organizational structure."⁸ Their behavioral models, however, were derived solely from experience in the private sector. It is not clear that their findings apply as well to administrative behavior in public agencies. The scientific school of policy analysis, encompassing the work of Downs, Buchanan, and Riker, has tried to construct a "deductive model of the political process" based almost entirely on the economic principle of maximization.⁹ They assume an unreasonably high degree of rationality on the part of decision-makers. Although they have succeeded in documenting various "pathologies" in formal organizations, they

⁷Philip Selznick, Leadership and Administration (New York: Harper and Row, 1957); Victor A. Thompson, Modern Organization (New York: Alfred A. Knopf, 1961).

⁸Richard M. Cyert and James March, A Behavioral Theory of the Firm (Englewood Cliffs, N.J.: Prentice-Hall, 1963); James March and Herbert Simon, Organizations (New York: John Wiley, 1958); Herbert Simon, Administrative Behavior (New York: MacMillan, 1945).

⁹Anthony Downs, An Economic Theory of Democracy (New York: Harper and Row, 1957); James M. Buchanan and Gordon Tullock, The Calculus of Consent (Ann Arbor: University of Michigan Press, 1962); Theodore Riker, The Theory of Political Coalitions (New Haven: Yale University Press, 1962).

have not been able to predict decision-making outcomes or resource allocations patterns in state government.

The various schools of political science, public administration, and organizational theory offer a rich source of ideas and testable propositions. But in order to explain how states allocate block grants it is necessary to take account of our unique intergovernmental system. The propositions presented here assume that administrative behavior in state agencies is shaped in part by a set of external constraints including laws, federal and state regulations (such as civil service requirements), guidelines governing grant administration, levels of federal funding, and pre-existing governmental arrangements as well as by a set of internal constraints including professional attitudes toward citizen participation, perceived administrative survival needs, and the norms of professional behavior in public agencies.

The Lessons to be Learned from LEAA and 314(d) in Massachusetts

The case studies presented in Chapters III and IV suggest that there may be an implicit trade-off between the devolution of decision-making power to the states and the extent to which the federal government can generate and

sustain institutional reform. If this is true, internal constraints that infuse the intergovernmental system may be to blame.

This can be seen most clearly in the case of the LEAA program. Large cities received a disproportionate share of block grant funds. Smaller cities and towns had a difficult time tapping this source of revenue with any regularity. Only a few researchers concerned with states and local politics have explained why city size is such an important factor. Population size can imply resource availability, community heterogeneity, bureaucratic complexity, or the frequency of elite social interaction.¹⁰ In this case, size is probably an analogue of professional planning and management capability at the local level which in turn explains most variations in block grant allocations.

The Safe Streets Act required that special attention be given to the needs of high crime areas. A careful investigation of grants awarded between 1969 and 1971 indicates, however, that no significant correlation exists between crime rate and level of grant allocations or (for a very

¹⁰Jacobs and Lipsky, op. cit., p. 532.

large sample of cities and towns) between crime rate and population (even though crime rates are very high in the four or five largest cities in the state). Thus, the pattern of grant allocations did not reflect the key objectives of the LEAA programs. It is quite possible, though, that administrators in charge of the LEAA program perceived the largest cities to be in greatest need of LEAA assistance. Crime rates are relatively high in many of the largest cities. Moreover, the general public is convinced that the crime problem is basically a central city problem.

At the outset, several other external constraints seemed as if they might be important, but ultimately they turned out to have little if any bearing on the ultimate pattern of LEAA grant allocations. Party politics, for example, played almost no role in grant allocations. The competition between a Republican Governor and a Democratic Attorney General had a neutralizing effect. Since the state legislature was never forced to appropriate matching funds explicitly for use by the Governor's Committee, individual legislators had no occasion to learn about the program. Consequently, they rarely attempted to intervene in the grant-giving process.

Because the objectives of the LEAA program were not spelled out in the original legislation and because state politics did not weigh as heavily on LEAA grant allocations as they might have, state administrative officials retained a great deal of discretion. This tended to heighten the importance of each administrator's own perception of his role and to exaggerate the use of professional (as opposed to political) criteria in evaluating grant proposals.

If the importance of city size as an explainer of grant allocation patterns is not linked to external factors such as legislative requirements or party politics, what accounts for its strength? First of all, only cities that submitted grant applications were eligible for funds. Cities without the professional planning and managerial abilities to formulate adequate proposals had no chance at all of receiving support. Submitting a proposal was a necessary, but not a sufficient condition for receiving funds. Proposals had to dovetail with the changing priorities laid out in the annual state plan. This was possible only if local applicants were hooked into the flow of up-to-date information either through a representative on the Committee or through personal contact with members of the staff. Even if a proposal were right on target, it still could not survive without staff endorsement and sustained

internal support. As long as state administrators retain the power to review and modify requests (to bring them more into line with agency rhetoric and priorities), to make recommendations regarding project feasibility and local resources, and to evaluate program effectiveness, only those cities with professional grantsmen viewed by state administrators as "part of the club" can count on the continued staff approval needed to win grant approval.

An independent study by the Bureau of Government Research at the University of Oklahoma has revealed that city size best helps to explain variations in the extent to which local officials are familiar with grant-in-aid programs.¹¹ In part, this may be because large cities need to rely more heavily on shared revenues to balance their budgets. Thus, local officials have no choice but to familiarize themselves with the full range of intergovernmental fiscal transfers and the way they work. This may have a bearing on the pattern of LEAA funding. Most big cities have already made an investment in federal grant coordinators. Moreover, special grants (most notably for urban renewal)

¹¹F. Ted Hebert and Richard Bingham, Personal and Environmental Influences Upon the City Manager's Knowledge of Federal Grant-in-Aid Programs (Normal, Oklahoma: University of Oklahoma, Bureau of Government Research, 1972).

have been available primarily to big cities. These have provided sufficient overhead to cover the cost of professional grantsmen. If it is true that the procedures for obtaining grants apply equally well to most if not all fields in which federal and state aid is available, and if it is true that in order to survive, local grantsmen must continue to bring in money, it is not hard to see why big cities have been most successful in snaring federal funds.

The internal constraints that define the administrative culture in state government are somewhat fuzzy. Very broadly, administrative culture may be thought of as a widely shared, patterned view of the proper scope and behavior of administrative agencies and specifically of the ways of behaving in public matters (proposing programs, administering services, managing conflict) that are thought to be legitimate.¹² It is hard to find a good measure of administrative culture and even more difficult to show linkages between that culture and the behavior of government officials.¹³ Perhaps the most useful notion is one

¹² James Q. Wilson, "City Politics and Public Policy," in James Q. Wilson, ed., City Politics and Public Policy, op. cit., p. 12.

¹³ Ibid.

proposed by Williams and Adrian.¹⁴ They have suggested that the dominant administrative culture is a class-based concept of what government should do that is shared by key administrative officials. The professional norms which permeate this culture are reinforced by the methods and criteria for selecting administrative personnel and by the availability of discretionary resources with which cities and towns can buy professional staff members who can talk the same language as state bureaucrats. This explains, for example, why the Metropolitan Area Development Squad was so anxious to have a say in the selection of local criminal justice planners and why local officials so often turn to part-time consultants. In the first instance, state officials were anxious to minimize initial conflict between their own objectives and those of local planners who might not share a common notion of what was expected of the Governor's Committee. In the latter case, smaller communities that can not afford full time federal grant coordinators can buy part-time consultants who may be better equipped to tap the professional lines of communication.

Although the state planning agency was required to submit an

¹⁴Oliver Williams and Charles Adrian, "Community Types and Policy Differences," in James Q. Wilson, ed., City Politics and Public Policy, op. cit., pp. 17-36.

acceptable comprehensive criminal justice plan in order to be eligible for LEAA action money, the procedures and guidelines promulgated by the central and regional LEAA offices had little direct impact on the pattern of grant allocations. Indirectly, the plan-making requirement forced certain facts out into the open which subsequently filtered back to eligible grant recipients. Information characterizing the beliefs and priorities of state administrative officials can be critically important to eligible grant recipients attempting to pitch their applications to current thinking at the state level. Although the flow of information regarding priorities or procedures for block grant allocation is controlled by administrative officials, an external constraint such as a plan-making requirement can counteract the normal tendency of the internal administrative culture to keep this information bottled up.

A review of the 314(d) experience confirms many of these findings and suggests still other lessons. The legislative purposes of the Partnership for Health were as blurred as those of the LEAA program. And state health officials were handcuffed by additional external constraints such as civil service restrictions. Nevertheless, they too enjoyed some discretion. Moreover, at times it seemed as if public health officials preferred to bow to civil service

regulations just to avoid having to make decisions about how to spend block grant funds.

A comparison of 314(d) and LEAA allocations suggests that the impact of the plan-making requirement in the law enforcement field was substantial. In the absence of a formal plan, information regarding the availability of 314(d) funds circulated only through limited professional channels. Locally-generated proposals for financial support to improve health services were rarely keyed to particular notions of how the state health agencies proposed to use block grant funds. In fact, in most instances, communities did not even address their proposal specifically to the 314(d) program. The availability of the funds was well concealed, ostensibly because there was not enough money to fund very many locally-generated proposals. State health agencies preferred not to raise expectations.

The failure to require a formal plan outlining how 314(d) funds would be used put consumer and community groups at a disadvantage. Unlike provider groups, they had no way of testing reactions to various ideas they might have had. In addition, the lack of formal planning requirements hampered local initiative and minimized pressure on state officials to justify the use of 314(d) funds or document state needs.

Pre-existing governmental arrangements also had an impact on the allocation of 314(d) funds. The decision to name the Executive Office of Administration and Finance as the state's "a" agency obviously forced a wedge between the state planning agency and the state health departments. 314(d) funds that did seep through to the local level were not used to meet priority needs indicated by the comprehensive health planning agency. In the law enforcement area the Governor's Committee had no control over the plans established by various line agencies involved in the criminal justice system. They could try to buy support, but that turned out to be an expensive and wasteful strategy.

In the same sense, the historical unimportance of county government in Massachusetts undercut the possibilities of promoting sub-state regional planning in either the health or the law enforcement field. With each state agency trying to set up its own sub-state regional structure, there was very little chance of establishing credibility at the local level. Because these regional units were not popularly elected nor sustained by their own taxing power, they tended to be unstable and unresponsive. Thus, pre-existing governmental arrangements explain at least in part why LEAA and 314(d) allocations did not help to reinforce existing state plans or to promote alliances among clusters of communities.

One external constraint imposed on both the LEAA and the 314(d) programs was a mandatory pass-through requirement. LEAA officials were supposed to pass through 75% of all action money to units of local government, while health officials were required to pass-through 70% of all block grant funds. Between 1969-1971 neither requirement was met. This problem was most serious in the health field. Only 58% of the LEAA action money allocated to Massachusetts was passed through to local units of government. If counties are considered as local units of government, then 66% was passed through. Putting aside the county question for a moment, mental health officials passed through 40% of their annual 314(d) appropriation while the public health department allocated only 15% of its annual block grant for the improvement of health services in local communities.

LEAA administrators were keenly aware of the pass-through requirement. Although they were somewhat over the limit in 1969 and 1970, it was only in 1971 that they actually kept more than 25% of their block grant for the use of state agencies. In almost every case, LEAA administrators feared that federal officials were watching their spending records very closely. If they were too far off the mark, they would jeopardize continued funding. Health officials, on the other hand, were convinced that they would not be punished for failing to pass through the required 70% to

cities and towns. This belief was sustained by federal and regional officials who openly acknowledged that states were entitled to 314(d) grants regardless of how they used their money. A federal audit of LEAA funds was completed in 1972--three years after the program began. After five years, the 314(d) program has never been audited, in part because the responsible federal administrative agency suffered staff cutbacks with the switch to block grants.

March and Simon have suggested that when resources are relatively unlimited, organizations need not resolve the relative merits of sub-group claims, conflicting activities may go on unchecked.¹⁵ Because the LEAA program was well funded from the outset and allocations increased annually, there was more than enough money to move in all directions identified by the various members of the Governor's Committee. The District Attorneys and the police chiefs, for example, were both served by the LEAA program. The Attorney General and the Governor's Committee itself were able to win support for "pet" projects. Even the community representatives on the Governor's Committee were on occasion able to secure financing for proposals which under tighter funding limitations certain members of the Committee would undoubtedly have opposed. Lavish LEAA financing put the

¹⁵March and Simon, op. cit.

Governor's Committee in a position to buy support from key line agencies. The health departments, on the other hand, had relatively little money; certainly not enough to entice unwilling partners to cooperate. The level of 314(d) funding did not increase as expected. Since the funds were further split between the two line agencies, there was not nearly enough money to underwrite substantial reforms in the traditional patterns of health care delivery.

Although the external constraints enumerated above clearly had a significant impact on the pattern of 314(d) allocations, various internal factors played even more of a role. Two norms of professional behavior stand out as key factors in the grant allocation process. One is the tendency of state administrative officials to strive for consistency. That is, they try very hard to treat similar classes of requests for aid in the same manner. In part this is an attempt to avoid controversy; in addition, it is the logical outgrowth of efforts to routinize decisions so that the personalities of individual administrators are subservient to the operational objectives of the state agency.

Administrators tend to favor proposals coming from cities or agencies with whom they have worked closely. As

professionals, though, they are compelled to strive for objectivity. They attempt to give the impression that the needs of the department and not those of other state agencies or community groups take precedence. More often than not, this conflict is handled through a number of subtle techniques, all of which relate to the flow of privileged and timely information regarding funding priorities and the design of grant applications. The annual state plan can not provide such inside information. Only through personal contact with state administrative officials can applicants gain this competitive edge.

To the extent that annual state plans are important, it is because they provide models of successful grant applications. Also, state officials are very sensitive to claims that they have acted arbitrarily. This might attract undesirable public or political attention. Thus, published plans provided potential applicants with the documentation they needed to show that they had been discriminated against. Once one city receives a grant for a particular kind of project, other cities want to follow suit. State officials meanwhile are continually afraid that a rejected applicant will be able to use the annual state plan to back up his claims that communities with similar needs have been served, while he has not. In the case of the 314(d)

program, where no annual plan was required, state agency officials were not under as much pressure to deal consistently with eligible applicants (who had neither successful models or documentation of annual priorities).

The second norm of professional behavior that shapes grant allocation patterns is the strong desire of state administrators to avoid non-routine decisions. The LEAA staff pushed for the shift to non-competitive funding as a means of avoiding the problem of deciding between a great number of very different grant proposals. The health department preferred not to publicize its grant program. With only a small amount of discretionary money available, it did not want to invest in the grant management staff that would have been needed to adjudicate the widely diverse proposals allowed under the 314(d) block grant program. In part, this helps to explain why the public health department preferred to retain its old categorical distinctions and budget lines. Pooling all the block grant money and creating a truly discretionary fund within the agency might have provoked tremendous internal conflict among the staff. Each bureau chief would have wanted a share of the money. As it turned out, the mental health department decided to share most of its 314(d) funds among its assistant commissioners rather than face the prospect

of having to set priorities or create a central mechanism to adjudicate a wide range of proposals.

For the Governor's Committee, which was set up specifically to allocate discretionary funds, this was less of a problem, at least at the outset. However, as the LEAA staff became more entrenched and administrative officials staked out areas of specialization for themselves, there was a push to set up grant categories and to channel grant applications through a set of pre-arranged networks so that all applications for juvenile delinquency programs, for example, would be handled in a routine manner. The equilibrium that state agencies seem to strive for is one in which all discretionary funds are set aside in advance for special uses and all decisions within each category are handled in a routine and consistent manner. The push in this direction seems to come from state administrative officials who, unlike politicians, prefer to retain a low profile and avoid controversy.

The final lesson to be learned concerns the way state agencies react to the notion of innovation. The key factor in explaining patterns of grant allocation is staff endorsement. Staff support only comes when professional expectations and survival needs are met. Applications

which conform to previously accepted models and which do not require administrative officials to make non-routine decisions likely to attract attention are more likely to be successful. Within the political milieu in which state administrators operate, innovation is risky. First, because innovation may spark political controversy. When the public is aroused, governors or agency heads are quite willing to sacrifice administrative officials. Thus, innovation can pose a threat to an administrator's survival. Second, innovations may fail in very obvious ways. Even if they are not controversial, projects that fail attract attention and impugn the judgement of the officials involved. In short, there are strong pressures against even trivial innovation or experimentation. How do these pressures affect the pattern of grant allocations? For one thing, grants are more likely to go to professional provider groups (than to consumer or community groups). This was especially true in the case of 341(d) grants. Provider groups were most likely to expand or reinforce existing patterns of service delivery. This in turn pleased the health professionals to whom state administrators looked for approval. Consumer or community groups, on the other hand, were likely to propose counter-institutional projects posing a threat to existing professional norms. This was true in the law enforcement as well

as the health field. Innovations only occur when high level professionals in positions of power are willing to be identified with them. Only in this way can state administrators be sure that they can gain professional approval for their actions.

An innovation adopted throughout the country is a mark of administrative success. Within the professional ranks of state administration, innovation is associated with status. On the other hand, survival needs and the immediate constraints posed by the administrative culture often cancel out the desire to promote innovation within a state bureaucracy.

Some Propositions Concerning Resource Allocation and Institutional Reform in State Government

Three important propositions emerge from the findings discussed above:

1. As city size increases so do the chances that a municipality will be able to secure funds from the state bureaucracy.

This might also be stated as follows: the larger the city, the greater its ability to initiate grant-getting activities. This has less to do with political factors such as party politics or membership on committees and more to do with the level of municipal resources, the ability to retain

professional grantsmen, and the opportunity to write off professional staff on other federal grants.

There is evidence to suggest that city size is important for still another reason. There is a high correlation between city size, the age of a city, and the clarity of power relationships and lines of authority. In older (and larger) cities, the procedures for gaining clearance on grant proposals are more easily decipherable.¹⁶ Presumably, older cities have had a longer time to work out patterns of interaction, alliances, factions, or coalitions:

In such communities the state of knowledge in the community system about the orientations, needs, and probable reactions to varying proposals for community action is likely to be quite high, thus increasing the probability of developing a sufficiently high level of coordination in order to [win endorsement for a project proposal].¹⁷

A municipality must initiate the grant-getting process. Without the professional expertise and a decipherable administrative system, communities are less likely to snag a grant from the state bureaucracy.

¹⁶Michael Aiken and Robert Alford, op. cit., p. 662.

¹⁷Ibid.

2. As the level of discretionary funding for state block grant programs increases, party politics and other external constraints become less important while internal administrative constraints become more important in explaining resource allocation decisions.

As the level of discretionary resources increases, it becomes necessary to expand and professionalize the administrative apparatus at the state level. As Martha Derthick has pointed out, bigness makes subordinates less visible and thus more difficult to control. In addition, big organizations are more likely to attract professionals who bring with them their own ideas about how things should be done.¹⁸ A corollary of the above is that as block grant programs become less constrained by federal rules and regulations, the state political system (particularly the chief executive) has more rather than less influence over how shared revenues are allocated. This argument can not be extended too far. State politicians are capable of re-creating external constraints. If state politicians do not step into the breach and federal officials persist in treating block grants as entitlements, the importance of internal administrative constraints will increase.

¹⁸Martha Derthick, "Intercity Differences in Administration of the Public Assistance Programs: The Case of Massachusetts," in James Q. Wilson, ed., City Politics and Public Policy, op. cit., pp. 243-266.

3. The less precise the rules, regulations, and planning requirements imposed by the federal government, the lower the probability that consumer or community groups (i.e., those out of power at the local level) have of receiving an equitable share of block grant funds coming into the state.

External constraints can indeed influence block grant allocations, but only if they are reinforced continually by federal review and audit. Plans and regulations serve two functions. First, they regularize administrative behavior by setting certain limits and performance standards. Second, they provide community or client groups with protection against administrative high-handedness at the state level.

When the federal government dealt only in categorical grants there was a mechanism for putting an issue on the national agenda: should an aided activity be undertaken or not?¹⁹ Questions were raised that might not have been otherwise. The switch to block grants has permitted the states to set the political agenda. Community or consumer groups could force an issue out into the open by pressing a municipality to apply for a categorical grant, but this

¹⁹Martha Derthick, The Influence of Federal Grants (Cambridge: Harvard University Press, 1970), Part III, p. 201.

is not possible under the block grant system. States have used a large portion of their shared revenues to build and maintain bureaucratic structure. They have also attempted to control the flow of information regarding the availability of block grant monies. They have set aside as much money as possible for pre-arranged, non-competitive purposes in an effort to avoid conflict and to routinize decision-making.

It was hoped that the decentralization of decision-making responsibilities would make state governments and their subdivisions better able to administer federal funds. The principal aim was to strengthen intergovernmental cooperation, although not at the expense of pluralism.²⁰ The block grant system has centralized power in the hands of state administrative officials. These officials have been less accessible, less accountable, and less prone to innovation than their federal predecessors. They have been even more likely to respond to highly professional requests. They have been unresponsive to requests from community or client groups outside the entrenched power structure at the local level. If anything, the switch to block grants has done more to threaten pluralism than to promote it.

²⁰Ibid., p. 234.

Most, if not all, of the variations in 314(d) and LEAA grant allocation patterns can be explained in terms of the internal and external constraints described above. However, it is much more difficult to account for the successes and failures associated with efforts to use block grants to promote institutional reform. Both the LEAA program and the Partnership for Health were designed to generate fundamental changes in intergovernmental and institutional approaches to delivering public services. Four propositions regarding block grants and institutional reform emerge from the case studies presented earlier:

1. The greater the level of funding for block grant programs, the greater the chances of generating innovative programs aimed at institutional reform.

The more lavishly a program is funded, the better the chances of surfacing project proposals aimed at institutional reform. Projects funded by both the public health and mental health departments (with the exception of the Boston-Brookline Health Resources Organization) proposed little more than slight variations on traditional themes. Training programs in mental health were not designed to bring new professionals into the field, they merely extended opportunities for those who had already traveled the traditional road to professional success. Community-based projects that received 314(d) support were rarely

community initiated and infrequently involved client or consumer groups in their design or implementation (viz. the RCA contract for a health information system in Cambridge-Somerville). Most of the projects funded through the public health department were aimed at extending the service capacities of existing hospital-controlled networks. Rarely were funds used to mobilize the fragmented components of the public and private health care systems or to stimulate the kinds of partnership that had been alluded to in the original legislation.

The LEAA program was used in some states to stockpile police arsenals, but in Massachusetts the situation was somewhat different. Some of the state's LEAA money was used, not to beef up the existing components of the criminal justice system, but (as in the case of the Youth Resources Bureaus or the Roxbury Defenders Program) to redefine the law enforcement problem and to serve new constituents in different ways. Nevertheless, most of the money did not go to reform the prosecutorial or the corrections system, it went to strengthen the hand of those controlling existing institutions. Because there was more than enough money to go around, reform-minded groups were able to latch on to a small share of the funds. Innovation, though, was certainly not the result in most cases.

This is not to say that all innovations or reforms are by definition "good," or that state administrators are always fearful of sponsoring innovative projects. However, until the notion of experimentation (which implies a high rate of failure, but a modicum of institutional learning) gains acceptability in the public sector, pressures against innovation or reform are likely to smother even trivial administrative initiatives. Only in a situation of great opulence, once traditional interests have been served, is innovation likely to flourish.

2. In the absence of a cash matching requirement at both the state and local levels, administrative officials are not likely to be held accountable for the allocation of block grant monies. The less administrative officials feel compelled to account for allocation decisions, the less the chances of promoting significant institutional reforms.

The state legislature's non-involvement in both the LEAA and the 314(d) grant awards processes was surprising. The situation is very different at the national level where Congressional committee members use what leverage they have to win grants for their home towns. This reinforces the point argued by Representative Wilbur Mills: only if a unit of government has responsibility for raising revenues will the political officials involved take their management responsibilities seriously. Of course, there are

many corollaries to this rule. Only if their constituents are actively involved in seeking block grant awards, will legislators take an interest in how funds are allocated. Block grant allocations to state agencies tend to fall into a separate administrative sub-system well insulated from the political pressures that normally affect state allocations.

Public officials tend to exaggerate the potential effectiveness of grant-in-aid programs. If the grant-giving process is highly politicized, the claims on annual state block grants are likely to escalate. This is not necessarily desirable, but such proclamations do become part of the public record. Public utterances not only shape the thinking and action of administrative officials, they also provide an impetus for community or client groups searching for some means of support. The depoliticization of grant-in-aid programs that seems to have accompanied the switch to block grants has been a boon to state administrators. They have been able to maintain their invisibility.

3. The less defined the purposes of federal programs managed by state bureaucracies, the greater the likelihood that unrestricted funds filtering down to cities and towns will be controlled by the entrenched power structure.

Although many interest groups could not be classed as reform-minded, they have traditionally served a watchdog role, the value of which has often been underestimated. The number of consumer-oriented and public-interest lobbying groups has grown substantially. In the health field, under the old categorical programs, dental associations made sure that funds were channeled into dental clinics. Under the block grant program, no money has been set aside for dental care, and when several model cities groups approached the public health department for aid in setting up community dental health clinics, they were told that money was not available for such purposes.

In the police and correctional fields it was almost impossible for citizen groups to win LEAA grant awards of any significant size. Funds for these activities were channeled through professional provider groups and long-standing state and local agencies. In the absence of strong federal pressure, states showed little inclination to require meaningful citizen or client input in the preparation or implementation of local grant proposals. State administrative officials have often been too close (in personal and professional terms) to local administrators to push for citizen involvement that might create political difficulties and costly delays. Unless grants are specifi-

cally designed by the Congress to promote citizen input, it is not likely to occur. The issue of racial or sex discrimination did not come up in Massachusetts; however, in other states when federal pressures for equal employment have been relaxed, discriminatory practices have reappeared.

All in all, the LEAA and 314(d) case studies suggest that unless the Congress is very precise about the national need it intends to serve with each grant-in-aid program, and unless the federal government provides continual supervision and surveillance, shared revenues are likely to strengthen only those groups already in power at the state and local levels.

4. The more decision-making power is vested in new staff agencies (as opposed to traditional line agencies), the greater the chances are of promoting significant institutional reform.

This proposition underscores the current wave of opposition to ineffective civil service regulations. Staff agencies created especially to administer discretionary funds are less constrained by prevailing expenditure patterns and timeworn traditions. Moreover, if an agency is exempt from civil service regulations, as in the case of LEAA staff

in Massachusetts, the greater the chances of attracting top-notch professionals. Once again, this is not always the case; however, the LEAA experience in Massachusetts suggests that executive staff officials unencumbered by civil service regulations are more likely to support innovative projects. It might seem as if line agency staff members protected by civil service would be more willing to gamble on a risky but exciting prospect, while non-protected staff members would be more conservative. This is not so. Professionals in civil service usually have long-term career aspirations and hesitate to rock the boat for fear of jeopardizing their advancement. LEAA-types, or other executive staff administrators, are in and out of government. An innovative project for which they can take credit enhances their prestige on the outside even if it fails miserably. They can always blame their lack of success on the civil service-types and the politicians.

All four propositions point to one overriding concern: if the objective of grant-giving in the federal system is to provide organizations or governmental agencies with funds that can be used not only to enhance the efficiency of existing service mechanisms, but also to alter the underlying decision rules and administrative structures in

existing institutions, then internal constraints on resource allocations ought to be neutralized and external controls on administrative behavior ought to be reinforced.

Isolating the Key Variables and Decision Rules

External constraints on administrative behavior in state agencies have only an indirect bearing on grant allocations. For example, federal regulations require a mandatory pass-through to local units of government, but some administrative apparatus has to be set up to mobilize interest at the local level, to process applications, and to ensure that all available funds are spent in every year. To a great extent, external constraints serve to energize state administrative agencies while internal factors channel the flow of energy. Thus, the critical question is, how does the administrative culture translate external constraints into behavioral norms that guide the day-to-day activities of state officials?

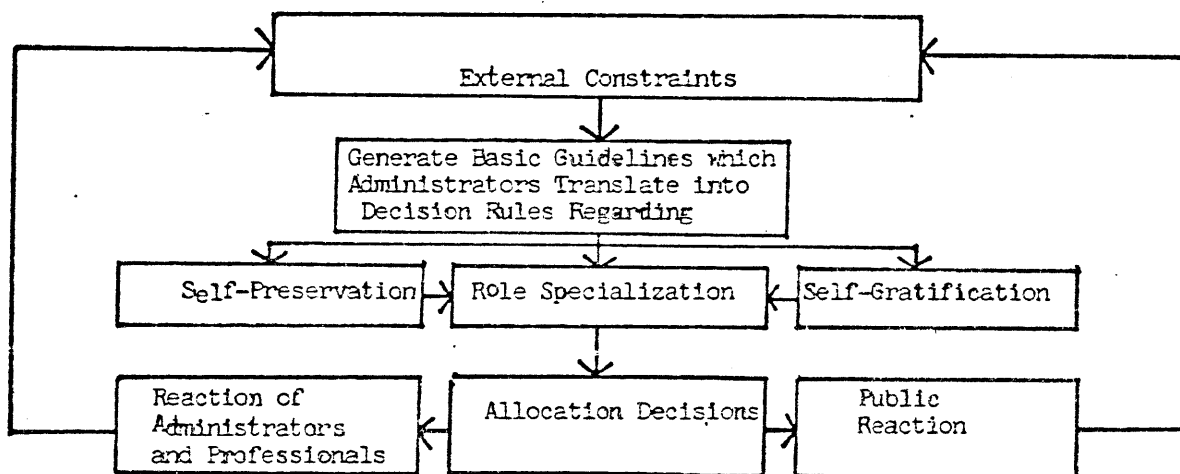
I have isolated three factors that seem to characterize administrative behavior in state government: role specialization, self-preservation, and self-gratification. Each state administrator displays a need to redefine his role in increasingly specialized terms. He also seeks to protect himself from political controversy as well as

to maximize his own self-gratification. A framework for thinking about the interaction of internal and external constraints is suggested in Figure VII.²¹

Role Specialization: State officials are continually searching for a more precise definition of the image they want to present to the outside world. They are also anxious to clarify the lines of responsibility and the hierarchy of decision-making power within their agencies. The more specialized an administrator's functions are, the easier it is for him to understand the image he is expected to present. The more specific his functions, the clearer his decision-making authority within an agency. Thus, there is continual pressure on an agency administrator to define his role in increasingly specialized terms. However, there are two other competing drives--one pushing toward self-gratification and the other toward self-preservation--which limit an administrator's willingness to become too highly specialized. Self-gratification depends in part on an administrator's leverage over critical information. More information is available if he can move

²¹The diagrammatic approach used throughout this chapter is adapted from a similar effort to model city expenditure decisions. See Arnold Meltsner's excellent study of The Politics of City Revenue (Berkeley: University of California Press, 1971), Chapter III.

Figure VII

RELATIONSHIP OF INTERNAL TO EXTERNAL CONSTRAINTS
ON DECISION MAKING

freely within the agency. If he is too highly specialized he may lose contact and credibility with co-workers and diminish his access to timely information sources. Self-preservation demands that an administrator come as close as possible to satisfying the competing demands of all interest groups who might in some way provoke political controversies regarding his actions or decisions. To be of service, an administrator must be able to answer questions and get things done, but if he is too highly specialized, his scope of action will be limited and his ability to serve interested clients will be constrained.

There are four initial steps that an administrator must take to define his role. He must interpret the explicit limitations on his authority contained in federal and state guidelines and legislation. He must interpret implicit federal and state expectations regarding his performance and anticipated programmatic outputs. Third, he must assess the present and future availability of resources. And finally, he must evaluate the pre-existing network of institutional and governmental arrangements.

The explicit boundary conditions described in guidelines of various sorts may define the range of responsibilities associated with positions allowable under existing funding

arrangements. For example, if an agency head is required to submit an annual state plan, he can derive a fairly precise notion of his responsibilities by reading the criteria that federal administrators will use to evaluate his plan. If a state official is hired to manage the flow of federal funds, he can develop a fairly detailed sense of the accounting activities for which he will be responsible merely by reading the reporting and auditing requirements imposed under federal and state regulations.

Interpreting implicit federal and state expectations regarding program output is somewhat more difficult. Each administrator must decide for himself what the governor and his department head expect to achieve politically in a given year. In the criminal justice field, for example, staff members spent a great deal of their time trying to figure out what the priorities of the Attorney General and the Executive Director were. This concern is always in the back of an administrator's mind when he talks with eligible grant recipients. State officials are also very conscious of what the thinking in Washington is at any point in time. Federal reports and newsletters circulate rapidly and frequently among state officials.

Present and anticipated levels of funding also shape an administrator's definition of his own role. If funds are scarce and continued funding is uncertain, he is more likely to define his role narrowly in an effort to make it easier to do all that is expected of him. In part, this is because other staff members are also likely to be guarding their turf rather carefully. An expansive interpretation of administrative roles in a time of budget stringency can escalate conflict within an agency. And the "troublemakers" are likely to be the first to go.

When resources are scarce, administrators are likely to be much less communicative with potential grant recipients. Since the chances of winning a grant are more limited, the competition among program administrators is likely to increase. Administrators are more cautious about investing their time in or risking a fight over any specific proposal. When funds are more generally available, potential grant applicants have freer access to inside information and administrators are more likely to become involved in a personal and self-interested way. In the final analysis, administrators want very much to be associated with successful applications. When chances of funding are low, administrators are more selective. Thus, the availability of resources shapes not only the push toward specialization

and greater definition of administrative roles within an agency, but also the posture that an administrative official assumes in dealing with the outside world.

The fourth step (and these are not necessarily in sequence) an administrator takes in order to define his role more precisely is to size up the pre-existing institutional and governmental arrangements. If, as in the case of the LEAA program, staff members find that they have line agency counterparts, they may specialize in a slightly different area. An LEAA juvenile delinquency specialist, for example, would try to avoid similarity between his role and that of his counterpart in the Department of Youth Services. Every administrator strives to define his role in unique terms. In part, this stems from his concern for self-preservation (he does not want to appear expendable). It also has something to do with administrative self-gratification (he feels more important if he has skills and responsibilities that no one else shares).

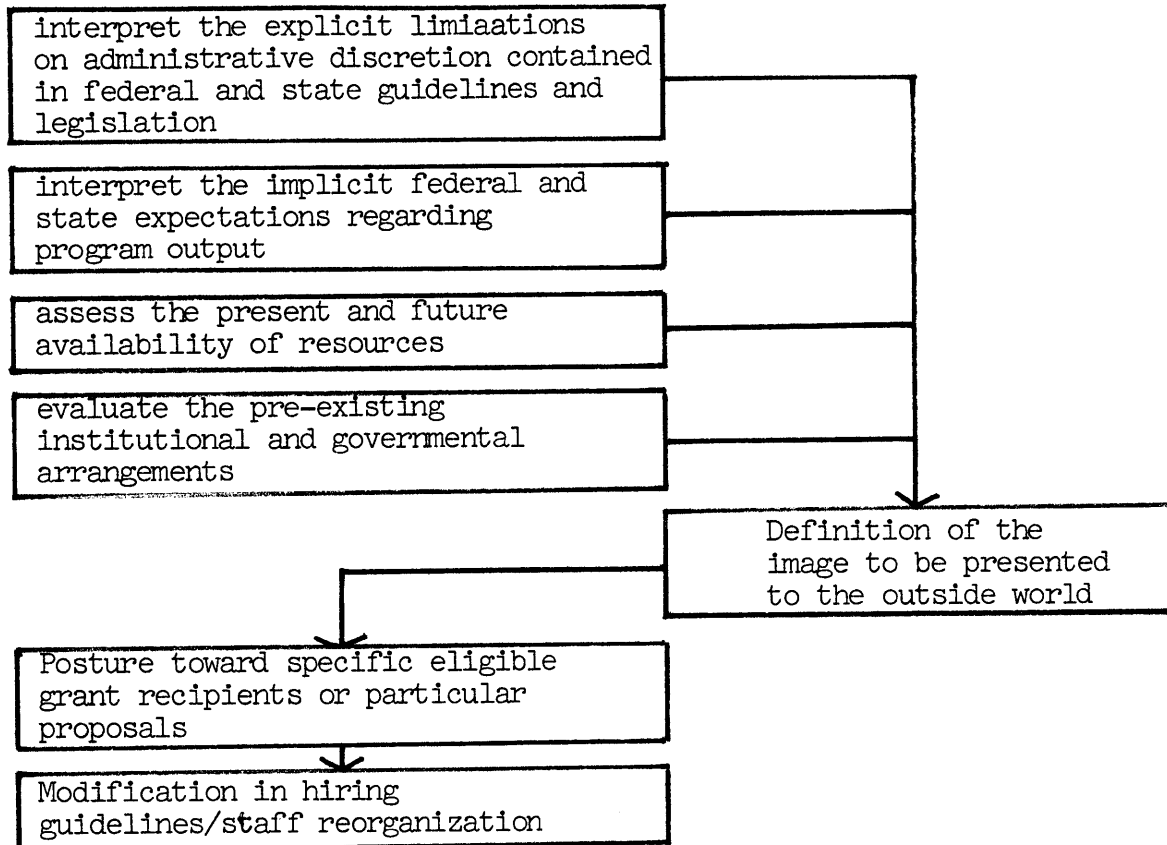
Having defined the image that he wants to present to the outside world (taking account of existing lines of authority within the agency), an administrator modulates that role in each contact with an eligible grant recipient. Depending on his personal reaction to the recipient, to

the organization he or she represents, or to the idea presented, an administrator will adjust his public posture to suit the occasion. Never failing, however, to present as highly specialized an image of his responsibilities as possible. In some cases he may seek to avoid further contact and in others he may try to enhance his public image to ensure continued contact. If administrators are dissatisfied with the range of role definitions available to them or if higher-ups are threatened by a lack of definition among those below, modifications may well be made in hiring practices or staffing arrangements. If administrators at the very top are dissatisfied, they have the option of totally reorganizing an agency. High level administrators can move to define their own roles in more specialized terms by publicly reorganizing everyone else beneath them. Seven steps toward achieving greater role specialization are outlined in Figure VIII.

Self-preservation: State administrators seek to protect themselves from political controversy. There are at least six actions that administrative officials can take to increase their chances of survival. They can set up an advisory body to act as an intelligence gathering mechanism; set up a buffer mechanism to protect themselves from direct political pressure or to justify funding decisions;

Figure VIII

ROLE SPECIALIZATION IN STATE BUREAUCRACIES



routinize decision-making procedures; build alliances with key agencies and organizations in order to minimize the risks associated with the adoption of innovative or controversial projects; seek to satisfy the demands of all interested groups; and they can develop sure-fire criteria for evaluating funding decisions.

Advisory bodies are set up, not because administrators believe they need help, but because they need a device for canvassing public opinion and building credibility with politicians and local groups. One way to minimize unanticipated public reaction is to provide for broad representation on a policy advisory board, another is to avoid controversial areas altogether. The Governor's Committee was set up to amplify public feelings on law enforcement and to lend credibility to agency operations.

Buffer devices are different from intelligence-gathering mechanisms, although in the case of the Governor's Committee a single mechanism was set up to serve both purposes. More often than not, buffer mechanisms are aimed at legitimizing decisions by involving eminent professionals. The technical advisory committees set up by the state planning agency were designed to legitimate funding decisions on technical grounds. In the health

department, questionable proposals were routed through various bureau heads to spread final decision-making responsibility. Not only can this approach help to diffuse outside political reaction by making it almost impossible to figure out "where the buck stops," but it also can provide a measure of internal security. By relying on other professionals, each administrator minimizes his chances of being blamed for a mistake. In this way, the existence of strong buffer mechanisms enhances the prospects for innovation and experimentation.

Every time an official is forced to make a non-routine decision his anxiety quotient rises because he has no way of knowing the outcome. The more an agency is able to routinize its decision the more secure its members are likely to be. Of course, routinization minimizes the prospects for innovation. Routinization is also a logical concomitant of role specialization. As agencies increase in size and specialization, decision-making and resource allocation procedures must be routinized to ensure that the work gets done. Routinization is also a form of protection against claims of discrimination. There is a real desire to treat all applicants within a certain class or range of proposals equitably. Routinization is the outcome.

Routinization must compete with self-gratification. Part of the excitement and professional reward associated with state administration is the satisfaction derived from the implementation of projects ultimately duplicated by other states. In short, self-gratification depends in part on an administrator's willingness to break out of the traditional pattern. The history of state government suggests that self-preservation is its own reward.

One way of protecting against outside political pressures, especially those aimed at blocking serious reforms, is to build alliances with key agencies and organizations previously identified with an innovative approach. In the case of LEAA, the Governor's Committee was able to forge an alliance with the Department of Youth Services. When the legislature balked at efforts to deinstitutionalize the juvenile correctional system, it was the Commissioner of Youth Services and not the Executive Director of the Governor's Committee who bore the brunt of the attack. This process can work in other ways as well. The Boston-Brookline Health Resources Organization was funded primarily through the intervention of high level officials in the office of the Commissioner of Human Services. The public health department, in an effort to squelch possible charges from local groups (who might have learned that

BBHRO was receiving a grant way out of line with other community-oriented awards) divorced itself entirely from the funding decision. Staff members washed their hands of the decision, claiming that it did not go through the regular channels. The Deputy Commissioner of Public Health assumed full responsibility. By forging an alliance with political appointees higher up, state administrators can sometimes manage to fund innovative projects.

The most basic rule of administrative self-preservation in a public agency is that it pays to satisfy the demands of all possible interest groups, even at the expense of a logical or rational system of priorities. One of the reasons that the Governor's Committee has done such a good job of protecting itself from political controversy is that it has had an extraordinarily large amount of money to give away. Almost all interested groups have received at least a token award.

Finally, it is in an administrator's self interest to make sure that the criteria used to evaluate particular projects are guaranteed to show success. This, of course, undercuts the long-run usefulness of research, but in the short run agency-sponsored research is primarily meant to confirm the reasonableness of past decisions. In the

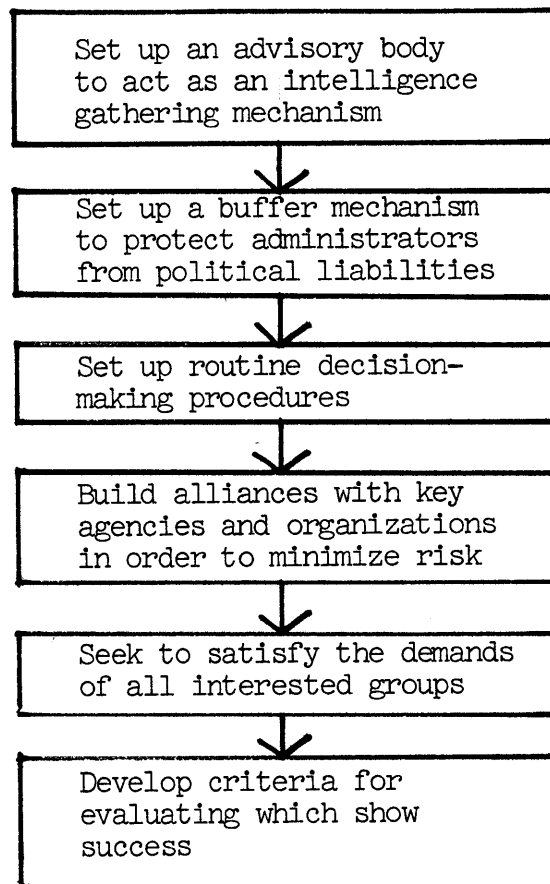
mental health department, the typical indicators of success were whether or not the grant recipient was glad to receive the funds and whether or not the proposed project worked to the satisfaction of the grantee. There are very few situations in which a grantee is likely to report failure. The various actions that an administrative official can take to ensure its self-preservation are shown in Figure IX.

Self-gratification: For state administrative officials, self-gratification comes in several forms: approval from professional peers and politicians, the wielding of power, and self-satisfaction based on the outcome of actual decisions.

Annual federal reports or regular newsletters provide capsule summaries of what is being done in various states. Favorable mention--especially by name--is very important to a state administrator. Even if he is not mentioned by name, he can still take pride in the kudos awarded to his agency. Laudatory comments from other professionals (administrators at the federal, state, or local levels) reinforce a sense of personal self-esteem. An interesting trade-off comes when an administrator must decide (in a situation of resource scarcity) whether or not to fund a

Figure IX

SELF-PRESERVATION IN STATE BUREAUCRACIES



wildly innovative community-initiated, consumer-oriented project or a modestly fashionable improvement, proposed by a professional colleague, aimed at enhancing the efficiency of an existing service operation. In the short run, the kudos from fellow experts may be extremely rewarding, but the applause fades quickly and nothing will be heard later on about the project. A risky community-based project might incur the wrath of fellow professionals, but it might also catch on around the country, propelling the administrator involved to instant and in some cases permanent stardom.

The process of "catching on" is in itself curious. Why would a second state duplicate a project tried elsewhere? One reason might be pressure from federal officials. A second might be political applause from an official in one state that reverberated in the ears of a political official in another state. The Governor has often suggested to his agency chief that he would look favorably upon a similar project in his own domain. The situation is still further complicated by the fact that state political officials are very likely to wait for local political reaction before publicly endorsing a project. That means that local political reaction in one state may trigger a multi-state chain of events.

Aside from the personal sense of reinforcement provided by public expressions of approval, administrators seek power. To that end, administrators look favorably upon an expansion of their role or level of responsibility. The constant thrust toward ever-increasing responsibility is constrained by an equally strong concern for self-preservation. As power expands so does political vulnerability. Some state administrators--especially those committed to the bureaucracy for life--are not necessarily interested in expanding the scope of their responsibilities if it means redefining their roles. Role changes can be threatening. "Lifers" prefer to solidify privileges such as seniority, to increase their salaries, and to otherwise enhance their prestige without having to redefine their roles. "In-and-outers," especially LEAA-types moving back and forth between the public and private sectors, may wish to move through several incarnations in very different roles in order to enhance their visibility and noticeability on the outside.

Power can be wielded in several ways from within an administrative agency. First, administrators can provide timely information to friends in the hope of improving their chances of winning project awards. To the extent that planning requirements, for example, are weak, the

power of an administrator increases with control over the flow of information. The point is that information is not available to just anybody. Only a qualified professional whose thanks reinforces a state administrator's sense of his own power is important. This is why communities without professional grantsmen are unable to tap the flow of privileged information.

A second way in which administrators wield power is by modifying grant proposals after they have reached the agency. This is done to improve the funding prospects of an eligible applicant. The amount of homework that an administrator does can also determine how successful a grant application is likely to be. If there is strong negative reaction to a proposal from advisory committee members (or even administrative higher-ups) a staff member can sometimes overwhelm the opposition with a highly detailed and well-researched statement of need. The process of advocating favorite proposals is one that allows an administrator to test his strength against others in the agency. Thus, the outcome (the funding decision) can serve to affirm an administrator's sense of his own power.

Finally, and perhaps surprisingly, the least important source of self-gratification is the extent to which an administrative decision brings about a result or a change in the outside world. In the criminal justice field, every official subscribes to the goal of lowering the crime rate. In the health field, every administrator longs to contribute to the improvement of health services. There is a great deal of self-satisfaction gained from administrative choices or actions that result in such improvements. The problem, however, is that achievements of this kind are difficult to discern. (The crime rate, for example, has not gone down.) Moreover, it is almost impossible to trace success back to a particular administrative action. (Even if the crime rate went down, it would be impossible to say that the LEAA program was the cause.) Every administrator makes an implicit connection between his day-to-day actions and the more abstract goals toward which he is generally working. For the most part, the theoretical models that help each administrator make these connections are not very well thought out. There is very little opportunity within an operating agency to debate the merits of alternative theories of how change comes about; moreover, many officials accept the fact that changes will remain invisible until long after they have moved on to other jobs. If nothing else, this

is a handy rationalization for a basic inability of most public agencies to demonstrate visible success. Although administrators seek concrete evidence to prove that projects which they have helped to fund have been successful, this is one form of self-gratification that is usually submerged.

The various sources of self-gratification are summarized in Figure X and the complete set of internal incentives and controls hidden in the administrative culture is presented in Figure XI.

Summary and Conclusions

In light of the model presented above, the sources of administrative resistance to citizen participation, regional collaboration and plan-making become clear. Citizen participation blurs the role of the professional bureaucrat, it threatens his self-preservation, and he receives little if any gratification from supporting non-professionals. To assume that consumers or citizen representatives have a better sense of what ought to be done or a better idea of the way projects ought to be handled, is to assume that an amateur can replace a certified professional. The majority of state administrators acknowledge federal rules and regulations requiring citizen input with

Figure X

SELF-GRATIFICATION IN STATE BUREAUCRACIES

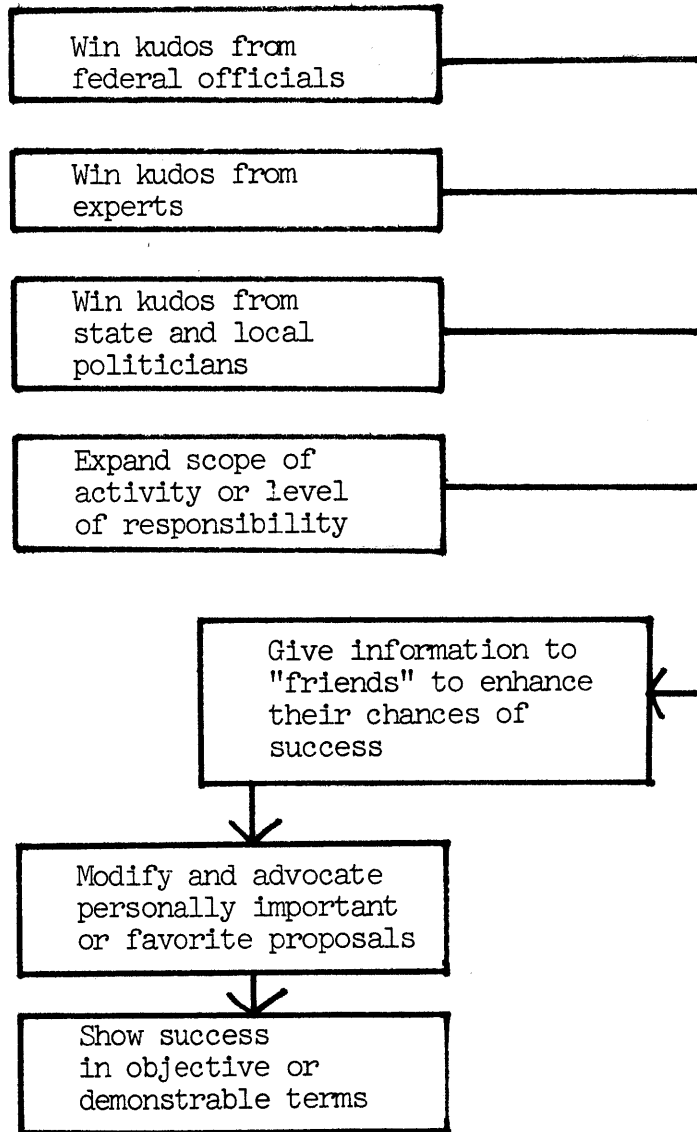
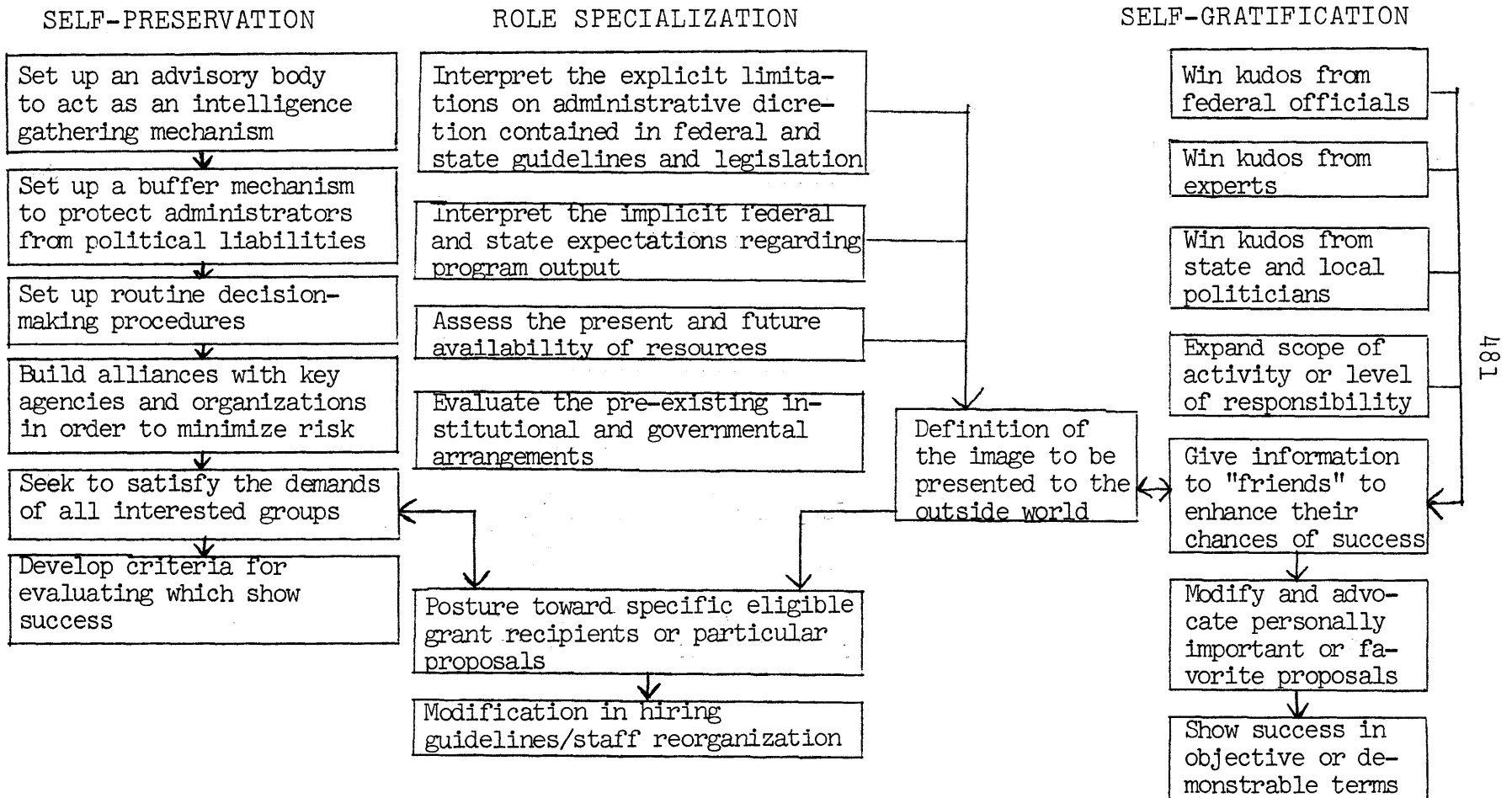


Figure XI

THE INTERNAL INCENTIVES AND CONTROLS HIDDEN IN THE ADMINISTRATIVE CULTURE



some bitterness. They feel compelled to implement some approach to citizen participation, but when the process bogs down (as it usually does) most administrators are quite content to let things ride. Neither the health departments nor the Governor's Committee has been able to sustain effective citizen participation.

State administrative attitudes toward regional collaboration are somewhat more confused. If sub-state regionalism is talked about in terms of decentralizing the activities of state agencies, most state administrators are likely to respond neutrally or positively. Administrative decentralization of state agency staff may create certain jealousies and initial confusion regarding role definition. That is, state agency staff who roam the cities and towns of the Commonwealth may lose some jurisdictional prerogatives under a decentralized setup. In many cases, they may be cut off from city and town officials who provide them with an important source of self-gratification. However, as long as decentralization involves little more than a reshuffling of colleagues, sub-state regional approaches to block grant administration do not present insurmountable obstacles. When sub-state regionalization implies strengthening multi-purpose middle-level government--counties or regional development authorities--state

officials are likely to be very much opposed. Interlarding another layer of government means that state officials are likely to lose power, turf, discretion, role definition, and access to key sources of self-gratification.

State administrative reactions to federal planning requirements fall somewhere between reactions to citizen participation and regional decentralization. Plan making requirements (the more explicit they are) limit administrative discretion. They short-circuit the flow of privileged information, thereby diminishing state leverage over local officials. Moreover, by publicizing the nature and dimensions of successful programs, planning requirements stimulate additional demands for money or services from non-professionals and politicians. In short, plan-making requirements reinforce external constraints on decision-making and minimize the importance of internal incentives and control, generated by the administrative culture in state government.

Any attempt to model decision-making and state resource allocation is handicapped in several ways. First, it is extremely difficult to describe administrative behavior in terms that are verifiable and measurable. It is hard

to test relationships between variables such as role specialization, self-gratification, and self-preservation. What do these variables actually measure? In part, they are indicators of individual perceptions and aspirations. In any single agency, there are bound to be disagreements among administrators as to just how threatening a certain event or activity is likely to be. Organizational theorists have never been able to overcome the difficulties involved in trying to describe organizational goals as the aggregate of individual expectations. Are the goals those of the top administrators? Do organizations have goals, or only the people in them? If the people in an organization disagree, how are goals selected? If goals change over time, how does a researcher freeze an organization at a given point in order to study its behavior? My attempt to explain block grant allocations is built on the assumption that individual state administrators are likely to react in a similar manner under similar externally-generated circumstances. No two administrators will act in exactly the same way, but the range of behavior will probably not fluctuate dramatically. To the extent that perceptions are the same, behavior is likely to be similar.

It is probably not possible to develop models of state

administrative behavior powerful enough to predict the resource allocation patterns likely to result from alternative arrangements of external and internal constraints. However, the two case studies presented here (as well as the many others alluded to in the preceding chapters) indicate that it may very well be possible to gauge state administrative behavior under various grant-in-aid arrangements. For example, it should be possible to predict how cities of different sizes are likely to fare under a block grant as opposed to a categorical grant format or whether proposals aimed at institutional reform are likely to be funded when external constraints such as plan-making requirements are eased. It may be possible to do better, but it is not easy to see how.

The hidden incentives and controls operating in the administrative culture often cause results contradictory to those that might otherwise be expected in light of external constraints. Thus, administrative systems do not act in counter-intuitive ways; rather, they act in ways that are very understandable as long as all the important internal constraints are taken into account. The two empirical findings that I draw out of this study are (1) that medium-sized cities (under 100,000) and small towns are not likely to receive an equitable share of block

grant funds distributed by state agencies, and (2) state agencies are not likely to award block grant monies for community-initiated or consumer-based projects aimed at reforming existing institutional arrangements or service delivery systems. Perhaps, in summary, it would be useful to clarify once again the distinction between innovation and reform. The two are synonymous when innovation refers to a redefinition of (1) the nature or scope of the problems that institutional pieces are designed to deal with; (2) the criteria for measuring institutional success; (3) the criteria for selecting professionals to staff delivery systems; or (4) the lines of authority (power relationships) among new or emerging public and private entities involved in the delivery of particular services. Innovation does not imply reform when it refers only to efforts to improve the functioning (efficiency) of existing service systems (insofar as the problems to which they are addressed remain the same; the pattern of services delivered does not change; the power relationships within the institutional network remains constant). This distinction does not speak to the issue of good versus bad reform. The only other distinction that I have been concerned with is that between reforms proposed by non-local providers and those proposed by local consumer groups.

Since, as was mentioned in the Introduction, I came to this study with an interest in prescribing a strategy designed to benefit those out of power in urban settings, the critical question is, how can the internal incentives and controls that shape administrative behavior (decision-making) in state government be counteracted so that they do not work against the interests of the poor and the disadvantaged. This question is addressed directly in the chapter that follows.

Chapter VI: A New Perspective on Revenue Sharing
and Strategies for City Survival

This Chapter attempts to summarize the strengths and weaknesses of alternative revenue sharing strategies. More specifically, I have tried to strike down the prevailing myths associated with President Nixon's general and special revenue sharing proposals. Drawing on the LEAA and 314(d) experiences in Massachusetts, as well as on the model of state administrative behavior presented in Chapter V, a more powerful federal strategy is presented aimed at meeting the special needs of the poor and the disadvantaged in urban areas. To a great extent, city survival will depend on an expanded national commitment to categorical grants-in-aid as well as a move away from the block grant proposals (special revenue sharing) suggested by President Nixon. The most highly redistributive strategy (and thus, the most desirable from the standpoint of the urban poor) would involve national assumption of welfare costs, balancing grants to metropolitan areas, and a streamlined system of categorical grants-in-aid. It is important, in addition, to keep in mind that urban areas have special needs that transcend the welfare needs of particular segments of the population. Thus, strategies that redistribute income must be balanced with strategies that focus on the management of other aspects of national urban growth and development.

The Principles of Fiscal Federalism

Musgrave and Polinsky have suggested five basic principles of fiscal federalism:

- (1) the principle of diversity: The federal system should leave room for variety and differences in fiscal arrangements pertaining to various states and localities. Communities may differ in their preferences for public services and should not be forced into a uniform pattern.
- (2) the principle of equivalence: The spatial scope of various public services differs. The benefits of some services are nation-wide, such as defense; others are region-wide, such as roads and flood control; and still others are local, such as city police or street lighting. Similarly, the incidence of certain taxes can be confined to some areas more readily than others. For fiscal arrangements to be truly efficient each type of service must be voted on and paid for by the residents of the area which benefits.
- (3) the principle of centralized redistribution: The redistributive function of fiscal policy (i.e., progressive taxation and transfers) should be centralized at the national level. Otherwise, redistribution becomes inefficient and locational decisions become distorted.
- (4) the principle of locational neutrality: Regional fiscal differences tend to interfere with the location of economic activity. Some degree of interference is an inevitable cost of fiscal federalism, but it should be minimized. Differential taxes which (in the absence of off-setting differential benefits) distort location decisions, should be avoided.
- (5) the principle of centralized stabilization: The use of fiscal instruments for purposes of macro (stabilization, growth) policy must be handled at the national level. State treasuries, like regional federal reserve banks, can not make stabilization policy on their own.¹

¹Richard Musgrave and A. Mitchell Polinsky, "Revenue Sharing--A Critical View," in Financing State and Local Government (Boston: Federal Reserve Bank, 1970), pp. 17-52.

Because these principles are subverted to some extent by the imperfections of "real-world" fiscal institutions and historical forces, the design of fiscal federalism must also:

- (6) correct for spillovers: Benefit spill-overs between jurisdictions lead to inefficient expenditure decisions. This calls for correction by higher levels of governments.
- (7) ensure minimum provision of essential public services: The national government should ensure that each citizen, regardless of which locality he or she resides in, is provided with a minimum level of essential public services including health care, education, and welfare.
- (8) equalize fiscal positions: While redistribution is primarily an inter-individual matter, the existence of sharp regional differences in the balance between fiscal capacity and need among governments can not be disregarded entirely. Some degree of fiscal equalization among governments is called for so that minimum service levels can be secured with more or less comparable tax efforts.²

With these principles in mind, it is not difficult to assess the merits of the general and special revenue sharing proposals put forward by President Nixon and others. The State and Local Assistance Act of 1972 (a modified version of the general revenue sharing bill proposed by President Nixon) provides over the next five years for the allocation for \$30 billion through the states to local units of government (see Chapter I). There are no restrictions on the way in which state government can use its one-third of the funds,

² Ibid., p. 3.

and minimal restrictions on the use of the other two-thirds by counties, cities and towns. They must use the funds for high-priority purposes and cannot use the money to match other federal grants. Under this plan, the principle of diversity is certainly respected. Restrictions on the use of the money are kept to a minimum. The principle of equivalence has also been observed since the allocation formula is designed to take account of tax effort, population, and per capita income. The principle of centralized redistribution was set aside, at least to the extent that the allocations formula included in the State and Local Assistance Act fails to take poverty into account explicitly.³ The goal of redistribution was submerged in order to avoid political controversy. Locational neutrality is certainly preserved, but only because the amount of money involved is not large enough to make one area any more or less attractive than any other.

Centralized stabilization was not considered in the design of the general revenue sharing bill. If anything, a tax cut or tax credit arrangements would be far more effective

³For a detailed discussion of the provisions of the State and Local Assistance Act of 1972 see Nation's Cities, October, 1972.

as a stabilization device. The State and Local Assistance Act passed in the Fall of 1972 does not correct for the spillover of service costs or benefits; it does not guarantee a minimum level of essential public services to all individuals; and it does not include a strong equalization factor. In fact, since tax effort (as opposed to need) is rewarded, existing inequalities may be reinforced. Should a state adopt a more progressive tax system, or should a municipality find a way to cut its taxes, it will lose money under the general revenue sharing formula approved by the Congress.

President Nixon's special revenue sharing proposals (calling for consolidated block grants to the states) in areas such as urban community development, education, health, law enforcement, and manpower, are very similar to the 314(d) and LEAA programs. Only under the proposed community development act, would funds flow directly into metropolitan areas. For all other programs, money would be administered by state governments. Although it might seem that block grants take account of the principle of diversity, this is not the case. The Massachusetts experience suggests that state agencies are likely to internalize a rigid and rather narrow sense of purpose. Ultimately, block grants are more likely to serve a rather limited set of state-

defined needs at the expense of local options. The principle of equivalence is sacrificed under a block grant approach. General revenue sharing allows most allocation decisions to remain at the local level. Under block grants, however, decision-making power is re-centralized in the hands of the state government. The redistributive power of grants-in-aid seems to diminish when decision-making power and discretion reside at the state level. For example, states have shown an unwillingness to respond to city interests even though cities have experienced disproportionate needs. Moreover, block grants, distributed according to a simple population formula, put authority in the hands of state governments which historically have shunned redistributive policies. The principle of locational neutrality might or might not be observed under a block grant program, depending on how the state defines block grant eligibility. In some cases unique locational disadvantages already distorting the location of economic activity might be reinforced. If state administrators respond only to highly professional inputs, then medium-sized cities and small towns will probably receive less than a fair share of the funds. Block grants serve no apparent stabilizing function, and by shifting allocation responsibilities to the state level, corrections for spillovers among states become impossible.

It may be unfair to generalize about the extent to which different grant-in-aid strategies respect the principles of fiscal federalism. The impact of any system depends largely on the criteria that Congress uses to allocate funds to the states and on the criteria that the states themselves use to distribute funds to cities and towns. If the national government gives up the right to set explicit (redistributional or other) standards, the behavior of state administrative officials suggests that federal revenues might not be shared in accordance with the basic principles of fiscal federalism.

To what extent do categorical grants respect these same principles? For one thing the principle of diversity is sacrificed because eligibility criteria are set for the country as a whole. On the other hand, as long as there are a great many categoricals available, states and localities have an opportunity to choose grant programs most directly in line with their special needs. The principle of equivalence is upheld under the categorical system primarily because federal administrators are able to exert a great deal of discretion in calculating particular awards. Luckily, they are self-conscious about compensating for cost variations involved in providing services in different areas. Since the burden falls

on the localities--who must submit proposals in order to be eligible--local choice and participation in the decision process is assured. While centralized redistribution is certainly possible under a categorical grant system, past experience suggests that redistribution has not been a conscious goal. The principle of locational neutrality is respected, in fact, even catered to under certain categorical grant programs aimed at improving the relative status of poor areas. Categorical grants can also play a small role in stabilizing economic growth by helping communities hedge against fluctuations in the private market. Categoricals cannot be classed, though, with more powerful stabilization devices such as tax policy or price controls.

Categoricals permit corrections for spillovers because they go to small enough areas to allow for differential adjustments. They also help the federal government guarantee a minimum level of goods and services to needy target groups. Equalization of fiscal positions has not been achieved through categoricals, although major metropolitan areas certainly received the largest share of the benefits from the categorical programs initiated during the 1960's. All in all, the categorical grant-in-aid system has many advantages even though it may not be

an efficient device for redistributing or equalizing income.

Overall, a combined system of equalizing grants (general revenue sharing weighted heavily in favor of needy areas and poor groups) plus a system of categorical grants administered by decentralized national agencies (in order to avoid red tape) constitutes an ideal blend. Together they uphold all the principles of fiscal federalism. Under such a combined system (which already exists in Canada) block grants to the states (such as those proposed by the Nixon administration) would not be needed. In light of the vicissitudes of administrative behavior at the state level, it might make more sense to eliminate block grant revenue sharing altogether.

The Urban Institute recently published a study examining the redistributive impact of alternative revenue sharing formulae.⁴ Table XVI presents a state-by-state analysis of the projected outcomes associated with the best known revenue sharing formulas. Column 1 shows the per capita grant that each state would receive per \$1 billion of

⁴Charles J. Goetz, What is Revenue Sharing? (Washington: Urban Institute, 1972).

DEGREES OF REDISTRIBUTION UNDER ALTERNATIVE REVENUE-SHARING FORMULAS
 1969-70 Average Results)

	Redistribution Ratios for Alternative Formulas								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Grant					Overall	Effort-		Income	Overall
\$ per capita					Mills	Weighted		Tax	Mills
Coll.-	Straight	Urban		Inverse	Local	Pop. (Ad-	Mills	Incent-	State
Based	Popu-	Popu-		Income	Govt.	ministra-	Effort	tive	Govt.
Grant	lation	lation			Formula	tion Bill)	Formula		Formula
Alabama	2.98	1.65	1.06	2.21	1.64	1.58	0.83	0.77	0.80
Alaska	5.07	0.98	0.00	0.82	0.60	3.27	0.77	2.14	1.45
Arizona	3.82	1.29	1.42	1.42	1.37	1.44	1.34	0.90	1.12
Arkansas	2.67	1.84	0.63	2.53	1.67	1.67	0.91	0.76	0.83
California	5.46	0.90	1.25	0.77	0.98	1.06	1.41	0.99	1.20
Colorado	4.23	1.16	1.28	1.20	1.21	1.24	1.12	1.29	1.21
Connecticut	7.85	0.63	0.75	0.49	0.62	0.52	0.58	0.48	0.53
Delaware	6.28	0.78	0.85	0.70	0.78	0.79	0.71	1.90	1.31
Florida	4.36	1.13	1.17	1.21	1.17	1.06	0.79	0.48	0.64
Georgia	3.71	1.33	0.93	1.52	1.26	1.23	0.81	0.97	0.89
Hawaii	5.09	0.97	0.96	.085	0.92	1.13	1.50	2.52	2.01
Idaho	3.13	1.57	0.21	1.88	1.22	1.68	1.33	1.86	1.59
Illinois	6.43	0.77	0.93	0.65	0.78	0.66	0.74	0.84	0.79
Indiana	4.79	1.03	0.81	1.03	0.96	0.92	0.75	0.78	0.76
Iowa	4.01	1.23	0.63	1.26	1.04	1.33	1.31	0.90	1.11
Kansas	4.14	1.19	0.72	1.18	1.03	1.18	1.02	0.77	0.90
Kentucky	3.23	1.53	0.91	1.91	1.45	1.48	0.98	1.09	1.04
Louisiana	3.39	1.45	1.17	1.81	1.48	1.66	1.15	0.48	0.82
Maine	3.64	1.46	0.50	1.59	1.12	1.32	1.16	0.53	0.84
Maryland	6.06	0.81	0.92	0.74	0.83	0.80	0.87	1.55	1.21
Massachusetts	5.76	0.85	1.12	0.76	0.91	0.83	1.02	1.48	1.25
Michigan	5.61	0.88	0.96	0.81	0.88	0.92	0.97	0.80	0.88

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Table XVI

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Grant	Redistribution Ratios for Alternative Formulas								
	(1) \$ per capita Coll.- Based Grant	(2) Straight Popu- lation	(3) Urban Popu- lation	(4) Inverse Income	(5) Overall Mills Local Govt. Formula	(6) Effort- Weighted Pop. (ad- ministra- tion Bill)	(7) Mills Effort Formula	(8) State Income Tax Incen- tive	(9) Overall Mills State Govt. Formula
Minnesota	4.20	1.17	1.00	1.19	1.12	1.31	1.27	1.99	1.63
Mississippi	2.18	2.26	0.57	3.35	2.06	2.56	1.62	0.84	1.23
Missouri	4.53	1.09	1.02	1.13	1.08	0.93	0.72	0.57	0.64
Montana	3.40	1.46	0.51	1.65	1.20	1.62	1.43	1.53	1.48
Nebraska	3.93	1.25	0.84	1.28	1.13	1.30	1.11	0.75	0.93
Nevada	6.72	0.73	0.85	0.62	0.74	0.81	0.86	0.48	0.67
New Hampshire	4.51	1.09	0.44	1.17	0.90	0.91	0.69	0.48	0.59
New Jersey	6.26	0.79	1.14	0.66	0.86	0.68	0.74	0.48	0.61
New Mexico	3.10	1.59	0.80	1.97	1.45	1.99	1.40	1.01	1.20
New York	6.49	0.76	1.02	0.61	0.80	0.91	1.43	1.90	1.67
North Carolina	3.36	1.47	0.60	1.75	1.27	1.31	0.91	1.50	1.21
North Dakota	2.74	1.81	0.27	2.23	1.43	2.45	1.75	0.85	1.30
Ohio	5.37	0.92	0.98	0.88	0.92	0.75	0.58	0.48	0.53
Oklahoma	3.54	1.39	0.98	1.61	1.33	1.38	0.88	0.56	0.72
Oregon	4.42	1.11	0.89	1.16	1.05	1.20	1.06	2.10	1.58
Pennsylvania	5.08	0.97	0.98	0.94	0.96	0.85	0.81	0.48	0.64
Rhode Island	5.01	0.98	1.34	0.95	1.09	0.89	0.89	0.53	0.71
South Carolina	2.93	1.68	0.73	2.19	1.53	1.48	0.89	1.21	0.55
South Dakota	2.80	1.76	0.34	2.11	1.41	2.09	1.83	0.48	1.16
Tennessee	3.60	1.37	.89	1.70	1.32	1.21	0.76	0.48	0.62
Texas	4.26	1.16	1.22	1.26	1.21	1.01	0.68	0.48	0.58
Utah	3.20	1.54	1.79	1.88	1.74	1.70	1.36	1.59	1.48

Table XVI

Page three of three

Grant	Redistribution Ratios for Alternative Formulas								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
\$ per capita Coll.- Based Grant	Straight Popu- lation	Urban Popu- lation	Inverse Income	Overall Mills Locll Govt. Formula	Effort- Weighted Pop. (Ad- ministrat- tion Bill	Mills Effort Formula	State Income Tax Incen- tive	Overall Mills State Govt. Formula	
Vermont	3.81	1.29	0.00	1.88	1.74	1.47	1.59	2.26	1.92
Virginia	4.39	1.12	1.00	1.19	1.10	1.00	0.80	1.30	1.05
Washington	5.28	0.93	0.88	0.88	0.90	1.02	0.99	0.48	0.74
West Virginia	3.48	1.41	0.48	1.81	1.23	1.36	0.95	0.73	0.84
Wisconsin	4.43	1.11	0.89	1.15	1.05	1.31	1.53	2.27	1.90
Wyoming	4.00	1.23	0.00	1.35	0.86	1.70	1.43	0.48	0.96
District of Columbia	5.90	0.83	1.43	0.72	0.99	0.81	1.04	0.48	0.76

Source: Charles J. Goetz, What Is Revenue Sharing? (Washington: The Urban Institute, 1972), pp. 51-52.

Note: The principles underlying Columns 2, 3, and 4 are those used in the bill proposed by Wilbur Mills (see Chapter I) to determine the interstate distribution of funds for local governments. Straight population and urban population require no additional explanation, since the grants are simply allotted in direct proportion to a state's share of these national population measures. The equalization-weighted population grant takes the state's straight population and adjusts it upwards or downwards to reflect the extent to which the state's per capita income diverges from the national average. Column 5 is merely an average of the previous three columns, since the Mills bill would give equal weight to each of these principles in determining the funds to be distributed to local governments. Column 6 shows the results under the effort-weighted population formula proposed in the administration's 1971 bill. Column 7 reflects a different effort formula, in which revenue rather than population is weighted by the effort index. The formula is used in the Mills bill to determine roughly one-half the distribution to state governments. The other half would be based primarily on state personal income tax collections (Column 8). Finally, the overall state government results under the proposed Mills bill are indicated in Column 9.

shared revenues if allotments were distributed on the basis of the proportion of federal income taxes collected. Successive columns indicate the redistribution ratios (i.e., the ratio of a modified grant to the same state's grant under the collection-based plan) associated with other allocation models. The redistribution ratio is an approximate measure of interstate redistribution since it compares a state's share of its input into the revenue sharing fund with its share of the receipts. A ratio of 1.25 may be interpreted as indicating that a state gets back \$1.25 for every \$1.00 it contributes.⁵

The Nixon administration's proposed version of general revenue sharing would have allocated all grants within a state on the basis of tax collections (i.e., in proportion to revenues raised by the various units of government). Such a formula would have minimized the redistributiveness of interstate allocations, since higher income units would have received higher per capita grants. Variations on this bill included the Muskie bill which proposed to modify collection-based grants by a poverty factor calculated according to the relative proportion of low income families and families receiving government assistance

⁵Ibid., p. 49.

in a local area. Other variations included an adjustment to favor larger-sized government units, specifically large urban centers.⁶

The recipients of generally shared revenues would under every formula be governments and not individuals. There remains a strong possibility that any equalization effort among broad geographic areas might be offset by the way in which state and local governments use their share funds. Recipient governments can use revenue-sharing funds to cut taxes or to initiate new programs; the specific manner in which they do so strongly affects the degree of redistribution that takes place among individual citizens.⁷

One way of estimating how state-local units might spend revenue sharing grants is to extrapolate, on a function-by-function basis, their previous marginal propensities for spending new revenues.⁸ Past experience suggests that state-local governments tend to allocate fifty per cent (50%) or more of their new revenues to education. Significant state-to-state differences exist in other areas. Weidenbaum has suggested that the ratio of people-oriented

⁶Ibid., p. 60.

⁷Ibid., p. 61.

⁸James L. Plummer, "Federal-State Revenue Sharing," Southern Economic Journal, July 1966, pp. 122-124.

expenditures (such as health, welfare, etc.) to physical capital expenditures (such as highways and natural resources) may be inversely related to the interstate redistributiveness of the different revenue sharing formulas.⁹ Likewise, marginal tax provisions might be extrapolated in order to estimate how state and local governments will adjust their tax decisions in response to revenue sharing grants. If revenue sharing funds, which come from the more highly progressive federal income tax, are used to hold down the regressive property tax, then lower income groups receive special benefits.

All in all, revenue sharing is a rather sloppy method of achieving equalization or redistribution. Only if the Congress were to impose restrictions on the use of equalizing grants would significant redistribution occur. For example, if equalizing grants could only be used to cover operating costs for municipal social services (health, education, welfare) then redistribution would definitely occur.

⁹Murray L. Weidenbaum, "Federal Aid to State and Local Governments; The Policy Alternatives," in Revenue Sharing and Its Alternatives, Hearings before the Joint Economic Committee (Washington: U.S. Government Printing Office, 1967), especially pages 658-659.

Prevailing Myths About Block Grant Revenue Sharing

Putting aside the brand of general revenue sharing adopted by the Congress in 1972, important decisions regarding de-categorization or block grant revenue sharing remain. It is important to dispel some of the prevailing myths about block grant revenue sharing.

Myth #1: Revenue sharing will help to alleviate the fiscal crisis at the local level.

The suggestion is that block grants will provide a more progressive pattern of public taxation and expenditure by sharing pooled federal tax dollars and minimizing the need for local reliance on regressive tax sources such as the property tax. By substituting federal tax dollars for locally generated funds, municipalities will be able to keep the tax rate down. This, in turn, it is argued, will help cities to retain industry and to bring back upper income residents--thereby starting a cycle of city revival. The fact of the matter, however, is that the revenue short-fall at the state and local level is much less severe than was predicted several years ago.¹⁰ In 1972-73 several

¹⁰W.H. Robinson, "Financing State and Local Government: The Outlook for 1975," an occasional memorandum prepared by the Council of State Governments based on the work of the State and Local Finance Project headed by Dr. Selma J. Mushkin.

states experienced a revenue surplus for the first time in many years. In most cases, some of these funds were returned to localities.¹¹ The fiscal crisis at the local level is not on the revenue side, it is actually on the expenditure side of the ledger. Fiscal problems at the local level revolve mostly around the inadequacies of local fiscal planning and management.¹²

Municipal budgets have been generously padded to provide political patronage. City governments have been unable to develop sufficient skill in collective bargaining to cope with the demands of public employee unions. Politicians have decided that the political costs of strikes are greater than the escalating dollar costs built into municipal contracts that give unions everything they demand. In addition, many cities have been trapped into expensive pension arrangements that will cause the costs of city government to rise dramatically in future

¹¹In January of 1973 both California and North Carolina announced multi-million dollar budget surpluses. In both states, the Governor proposed to return substantial amounts of money to local taxpayers through tax refunds.

¹²See "The Impact of Federal Grants-in-Aid in Richmond, Virginia," prepared for the Federal Regional Council in Philadelphia, Pennsylvania by the Richmond Study Task Force, December 13, 1971. Also Philip Dearborn et al., "Fiscal Emergencies in Major American Cities," (draft) Advisory Commission on Intergovernmental Relations (Washington, D.C., 1973).

years even though the quality of services may not increase. Finally, suburban politicians have been unwilling to forge metropolitan alliances, thus cities have not been able to recoup suburban tax dollars that might be used to underwrite the costs of key city services enjoyed by all metropolitan residents. In the case of cities which have tried to assess industries for the real costs associated with pollution, individual municipalities have been unsuccessful. As long as they are in competition with one another, no one wants to lose the competitive edge. However, if the national government requires metropolitan financing of education, the enforcement of strict environmental standards, and the provision of minimal levels of public services, all cities would benefit. For the most part, these are management and organizational issues that have to do primarily with the way in which costs are allocated and revenues are managed. The income from block grants, especially those with few strings attached, will have little bearing on the improvement of fiscal management at the local level.

Myth #2: Block grant revenue sharing will help to curb the centralization of power in the national government.

States and localities rely heavily on national help (over 20% of all local revenues come from categorical grants of

one kind or another). Block grant revenue sharing will allegedly promote decentralization by halting the proliferation (and perhaps even by replacing) the vast array of public programs controlled by the President and the Congress. In part this ignores the fact that block grants also hinge on continual Congressional appropriations and approval. Moreover, it seems very clear that state governments are more likely to interfere with local decisions than the national government. From a local (especially a neighborhood) perspective there is not much difference between centralizing authority in the hands of the federal government or the hands of the states; except, perhaps, that historically the national government has been more inclined to serve urban interests.

Myth #3: Block grant revenue sharing will eliminate the distorting effects of federal categorical grants and minimize the ineffectiveness and inefficiency associated with the categorical grant-in-aid system.

By virtue of their matching requirements, it has been suggested that categorical grants distort local priorities and stifle creativity at the state level. The poorer the state, the greater the tax effort that must be made to achieve the required match; hence the less there is left over for non-aided functions. On the other hand, the Massachusetts experience suggests that if matching require-

ments are removed at both the state and local level, public accountability will diminish. Moreover, without the leverage of political accountability, there is a strong possibility that block grant funds will be used to cover basic state administrative costs and will not flow through to cities and towns.

Part of the inefficiency of the categorical grant system is directly traceable to the curator mentality in the Congress as well as federal agencies. Programs that outlive their usefulness are protected by officials whose personal survival hinges on grant continuation. The self-serving bureaucrat may indeed prevent creative and effective use of funds by states and localities. However, the establishment of block grants will not minimize the continued proliferation of categorical grants. Block grants can not satisfy special interest groups and individual Congressmen aiming for continual visibility. Block grants may cut down the number of categorical grants in the short run, but probably not over time.

Myth #4: Block grant revenue sharing will lead to greater popular control over public spending and governmental decision making since states and localities are a lot closer to the diverse interests and needs of citizens living in different parts of the country.

One view is that block grant revenue sharing, by placing unencumbered funds at the disposal of smaller governmental units, will guarantee each citizen a larger role in the decision-making process. Further, if states and localities are required to make hard decisions about the allocation of large amounts of federal money, citizen participation at state and local levels is likely to increase. This has not been borne out by the LEAA and 314(d) experiences in Massachusetts. Without federal controls which normally accompany categorical grants, states are likely to eat up large amounts of money creating bureaucracies analogous to federal agencies. Citizen participation at the state level is relatively impossible, and without required matching funds from the state legislature it is difficult to develop sufficient legislative involvement to ensure that state administrative officials are held accountable for their actions. In terms of the pass-through of money, the block grant funds that do reach cities and towns are invariably controlled by provider groups linked to professional circles at the state level. While categorical programs are able to mandate (and to some extent enforce) citizen participation requirements, block grants have been used to relieve the pressure on political power holders to involve powerless groups in local allocation decisions.

Myth #5: Block grant revenue sharing is likely to increase public policy innovation at the state and local level through the strengthening of local initiatives.

Critics of the categorical grant system have argued that truly creative federalism requires diversity and dissent. These are stifled when rules come down from on high. They argue that if new ideas do not well up from the local level, the authority of the central government will grow and rigidify. Recent experience with block grants suggests that external constraints imposed by the Congress and executive agencies have more chance of stimulating innovation (through intense competition for limited funds) than is likely under a block grant system in which states assume they are entitled to funds regardless of past performance.

A second assumption is that the strongest impediment to state innovation has been a lack of funds. Legislatures are engaged in a constant race to find new revenues just to keep already established programs alive. Yet many state politicians are fearful of the political costs associated with tax increases. State governments have been reluctant to commit funds to new programs that might not work. The same pressures are likely to undercut innovation under a block grant system as well. The first reaction to general revenue sharing (after the passage of the 1972 Act) was a

clamoring for tax reductions. Suggestions that shared revenues be used to undertake new programs were beaten down. One other fact is also clear: states and localities are not likely to use shared revenues to support basic research that might better inform the future investment of public funds. States are more likely to use evaluative research to reinforce the rightness of past administrative decisions. The economies of scale that could be realized by assigning research with national implications to the best possible research outfit will certainly be lost if research responsibilities are shifted to the state level.

A New Strategy for City Survival

More than anything else, competition among governmental units binds the federal system together. Not cooperation, but conflict ensures the survival of a dynamic and responsive system of government. In order to guarantee disproportionate benefits for the poor, pressure must be applied. If a particular policy outcome is desired at the state level, pressure must come from the national and local levels. Likewise, if certain results are desired at the national level, it is necessary to build up pressure from below. My assumption is that policy-making and resource allocating mechanisms in the federal system are sensitive enough to respond to these changing demands.

If those most in need of assistance cannot win support at the national level, they have little chance of receiving special attention from the states or localities. Basically, what is needed is a strategy that can build sufficient pressure at the national level to counteract the hidden incentives and controls that operate at the state and local levels. To the extent that block grants minimize the role of Congress and executive agencies in setting policy objectives and allocating funds for specific purposes, groups out of power at the local level are likely to suffer-- particularly those in urban areas. To the extent that block grants are used as a substitute for categorical grants, urban and minority interests are likely to lose out.

It is important to distinguish between the two overriding objectives of a city survival strategy: first, to ensure the well-being of disadvantaged groups and poorer segments of the population for whom the private market does not work. The second objective is to spur reform in the governing structures and to resuscitate basic city management systems. At best, general revenue sharing (if its allocation formula is truly aimed at redistributing income and designed to guarantee a substantial flow of funds directly through to units of local government) might help in the first regard. A welfare assistance plan, though, which allocates funds

to municipalities on the basis of the proportion of potential recipients residing in their area, would be a far more efficient redistributive device.¹³ Only categorical grants backed up by the power (and resources) of the national government can be of any use in achieving the second objective. Meanwhile, block grants to the states are not likely to help in either regard.

The seven point city-survival strategy suggested below is not new because it is original, rather it seems new because it runs counter to the direction in which present trends seem to be taking us. In addition to equalizing grants aimed at a major redistribution of income, several other elements of a city-survival strategy might include (1) expansion and strengthening of categorical grants-in-aid; (2) grants to ensure citizen participation and to build effective consumer demand for institutional reform; (3) implementation of more stringent plan-making requirements; (4) development of local planning capabilities through improved technical assistance programs; (5) hard cash matching requirements (on a sliding scale) at the state and local levels; (6) renewed commitments to governmental learning through basic research; and (7) a new

¹³Musgrave and Polinsky, op. cit., p. 18.

focus on sub-state regionalization and metropolitan collaboration.

Strengthening categorical grants-in-aid: the advantages of categorical grants are indisputable: they focus public attention on timely issues; they provide funds to needy groups even in jurisdictions which are unable or unwilling to help; they translate public concern into a mandate for very specific kinds of improvements; and they give groups out of power at the local level some means of sustaining themselves.

The disadvantages of categorical grants as they have been managed up until the present time are also obvious. Something must be done to make sure that outdated or outmoded grants do not survive beyond their usefulness. This might be accomplished by creating a joint Executive-Congressional review committee charged with the task of weeding out ineffective grant-in-aid programs.¹⁴ In addition, if the objectives of each grant-in-aid were defined more precisely and if periodic performance reviews were required by law, this would make it easier to overcome political opposition to the elimination of unworkable

¹⁴See Title VII of the proposed Balanced National Growth and Development Act of 1972 submitted by Hubert Humphrey. The bill would set up a Congressional review committee to monitor grant-in-aid programs on a regular basis.

grant programs. Something also has to be done to cut down on the red tape involved in grant administration. In part, the Department of Housing and Urban Development has demonstrated how this might be achieved through the administrative decentralization of grant-giving responsibilities. Narrowing the number of customers that each office has to serve allows for re-personalization of application and review procedures. In addition to defining the purposes of each grant program more narrowly, Congress should encourage flexibility in the selection of methods by which units of local government seek to meet the objectives specified at least at the outset. This would mean that a far greater amount of money would have to be devoted to evaluative research at the national level. During the first years of a program, experiments would be tried in order to test alternative approaches to implementation. However, within a relatively short time, a decision would be made specifying the models that work most successfully under different sets of circumstances.

The problem of figuring out how to measure the impact of a new program might be minimized by defining the program objectives more narrowly. Moreover, grant-in-aid programs might be aimed primarily at achieving short-term results. Thus, every program would be designed to produce meaningful

results within a few years (although the definition of success might be continually revised as experience with particular programs accumulated).

The national government will have to remain in the community development business as long as private market forces fail to meet the needs of those groups unable to create an effective economic demand for certain goods and services. Categorical grants may in fact be necessary in almost all areas in which they have developed in the past, although it is quite possible that some of the newer approaches to the provision of housing, education, and health services via vouchers or consumer allowances might make more sense than the traditional supply-side tactics of the past. In any event, more precise policy objectives for each program will be needed if large expenditures are to be justified.

Building an effective demand for institutional reform:

314(d) and LEAA grants were awarded mostly to professional provider groups. These groups were far less inclined to push for substantial reform in the organization of service delivery systems than consumer or community groups. Unless special grants continue to be available along the lines of those provided under the OEO and Model Cities programs to catalyze the formation of organized citizen and consumer

groups, the pressure for wholesale reform of unworkable institutions at the local level will be minimized. At best, grant-in-aid programs can only begin the process of institutional reform. Only a continued push for change at the local level will produce successful results. Block grant programs, because their purposes are diffused, make it difficult to sustain strong community or consumer involvement.

The second element in a city survival strategy would be a series of categorical grants to consumer and community groups aimed at guaranteeing the continuation of community organizational efforts and capitalizing on past investments in the Community Action Program, OEO, and the Model Cities programs. If they accomplished little else, these efforts served to create a layer of indigenous community leadership capable of rallying support for certain political causes.

More stringent plan-making requirements: All states and localities ought to be required to prepare detailed plans in order to qualify for general or special revenue sharing and especially for categorical grants. Planning requirements provide for the development of specific performance standards and target objectives as well as a clear indica-

tion of how citizen or consumer input will be handled. Moreover, plans indicate how similar funds were used in previous years and how priorities were set. Assurances should be included in every plan guaranteeing that appropriate public and private agencies were contacted in the course of the planning process. Above all, grant recipients should be required to prepare plans suitable for general public distribution. Planning requirements should not be so complex that plans can not be widely disseminated and discussed. In some cases special funds ought to be made available to encourage the preparation of plans in various media (such as films, tabloids, posters, etc.). The hope would be to reach a wider audience.

Stringent plan-making requirements are one sure way of building broader participation in the decision-making process and of counteracting many of the undesirable incentives and controls that tend to shape administrative behavior.

Technical Assistance Programs: Unless planning and management capabilities in medium-sized cities and small towns are enhanced, these communities are likely to miss out on their fair share of unrestricted grants as well as on categorical funds. In the short run, professional exchange programs that bring trained planners from federal and state

agencies to medium-sized cities and small towns for extended periods of time would be helpful.¹⁵ Every effort should be made to prohibit the use of planning funds to hire consultants. If communities are too small to afford full time planning staffs, they should be encouraged to work collaboratively with neighboring communities. In addition, if executive agencies were decentralized to the area level (along the lines of the HUD model), it will be feasible to assign federal technical assistance staff members to work with communities most in need of help. State agencies also ought to maintain technical assistance teams capable of providing special help in the preparation of grant applications or planning documents.

In the long run, two additional steps may be necessary: special assistance to schools which train professional planners and a system of licensing at the state or national level. These two steps should be viewed in combination. Planning schools ought to be training professionals capable of operating in local agencies or city departments, but for the last several years planning schools have been

¹⁵U.S. Department of Housing and Urban Development, Local Strategies to Affect State Plan Allocations of Federal Funds, Community Development Evaluation Series No. 3, January 1972, p. 6.

floundering. Although the number of planning programs has increased, the quality of the training effort has lagged. Perhaps a sharpened focus on urban management priorities at the municipal level (at least in some of the schools) could be encouraged by special training grants. Moreover, if professional credentialization (similar to the system used to screen municipal engineers and architects) were a condition for federal planning assistance grants, at least some of the schools would pay attention to the unmet need for planner-managers capable of dealing with the problems of municipal administration. Without a move toward credentialization or licensing, a mere increase in the flow of funds to planning schools would probably not produce professionals capable of designing, administering, and evaluating municipal programs. Too many schools are caught up in the vagaries of national policy planning or highly specialized efforts to employ sophisticated mathematical and systems techniques to the design of idealized delivery systems.

Hard-cash matching requirements: All grants to states should require an explicit cash match from the state legislature. This would serve to put key issues on the public agenda and to ensure a greater flow of information about grant programs to cities and towns. Matching require-

ments should reflect not only need and effort (in order to achieve some measure of inter-state equalization) but also performance. States or localities that meet their target objectives might be allowed to reduce matching shares in subsequent years. In this way, performance would be rewarded. Rewards of this sort might present some administrative difficulties, but in general there is no reason why states or localities that achieve their stated objectives (as opposed to some arbitrarily defined set of standards) can not be given additional incentives.

Local units of government or consumer groups should also be required to provide a cash match for categorical funds. In part, cash matching requirements ensure a degree of seriousness on the part of the applicant. Even more important, however, is the fact that matching requirements provide an organizational incentive and provide a preliminary test of community support for an idea. Categorical grants ought to be available on a multi-year basis in order to provide every opportunity for serious consumer or community involvement. Matching shares might change from year to year if standards of performance merit such adjustments. (Matching portions would be due on a yearly basis even though the initial grant might be authorized for several years.) The key to matching requirements is

a sliding scale that takes account of need and performance.

Evaluative and basic research: Funds for urban research have been painfully limited. Efforts to improve our understanding of technical and other aspects of urban problem-solving have been dwarfed by the space effort and basic research in the natural sciences. In other fields, evaluative research has not been used as a substitute for basic research and there is no reason to think that we can develop a better understanding of the nature of specific problems associated with urban decay, city growth, or national development unless a great deal of time and money is devoted to scholarly efforts. Analogies to experimentation in the natural sciences are strained. Yet the development of the social sciences has been stunted by inadequate resources.

Metropolitan collaboration and sub-state regionalization:

Recent Supreme Court decisions on school financing may force a new move toward metropolitan collaboration. The notion of metropolitan government may be dead once and for all, but that does not mean metropolitan collaboration for selected purposes cannot be achieved. Without creating additional special districts and adding to the proliferation of local units of government, it is still possible to

encourage multi-municipal pacts for purposes of school financing, transportation planning, pollution control, or other activities of regional importance. One way of moving toward such a system might be to calculate minimum population requirements for categorical grant eligibility.

Within state government there seems to be a related trend toward administrative decentralization. This is likely to produce multi-functional sub-state regions charged with reviewing, planning, and, in some cases, implementing development activities of regional importance (i.e., airports, large scale housing developments, industrial parks, etc.). In line with Circular A-95 distributed by the Office of Management and Budget as well as the Environmental Impact Reviews required by the Environmental Protection Agency, many sub-state regional authorities are acquiring additional clout. If these regulatory arms of various state agencies are empowered to carry out development functions as well (perhaps only when invited to do so by localities) they might be even more effective. One question that has not been resolved is whether or not these agencies or regional authorities should be popularly elected. In most states, sub-state regional bodies are appointed. This seems to cut deeply into their political strength. In the long run, sub-state regions (if they

are viewed as decentralized units of state government) ought to have popularly elected advisory boards with significant power (or alternately, boards of popularly elected local officials).

It should be clear that metropolitan collaboration and sub-state regionalization are two different things. One cannot substitute for the other. Sub-state regionalization is a way of bringing the administration of state government closer to the local level without losing sight of regional interests. Metropolitan collaboration in the design and operation of key service delivery systems is a strategy for enhancing the efficiency of public services. However, different services are best handled in different ways; thus, alliances among municipalities are likely to shift depending on the service being delivered.

I have only hinted at some of the elements of a city survival strategy. Strategies that equalize income and aim to reform unworkable service delivery systems at the local level must be balanced with strategies that focus on the management of other aspects of urban growth and development. Many, if not most, of these issues are best handled at the national level.

A Special Focus on National Urban Growth Strategies

In 1970 the Congress passed legislation calling for the creation of a national urban growth strategy and for the preparation of biannual national urban growth reports.¹⁶ The first report appeared in 1972 and sidestepped the question of what the objectives of a national growth strategy for the United States should be.¹⁷ Other reports appearing subsequently have suggested that perhaps we should not have a deliberate strategy for controlling national development.¹⁸ There is obviously room for disagreement. However, one point is clear. In practically every developed nation in the world, efforts to deal with the problems of lagging regions, the over-urbanization of large metropolitan cities, and the inefficiencies of accelerated growth have ultimately come together under the heading of national development strategies.¹⁹ It is hard to believe that the United States will be able to deal with these same questions without tackling them simultaneously.

¹⁶Housing and Urban Development Act of 1970.

¹⁷Report on National Growth 1972 (Washington: U.S. Government Printing Office, 1972).

¹⁸Marshall Kaplan, et al., "Report on Land Use and Urban Growth," (draft) prepared for the National Academy of Sciences, May, 1972.

¹⁹Lloyd Rodwin, Nations and Cities (Boston: Houghton Mifflin, 1970).

Thus, the problems of city survival must be viewed in a larger context. There are actually five critical variables that most national growth strategies seek to balance: population flows, job flows, money flows, environmental carrying capacity, and the alignment of decision-making powers.²⁰ The most difficult task has been to translate broad policy into manageable objectives. Many countries have gone on to invent new and more powerful incentive and control devices capable of directing key policy variables toward certain ends. Ultimately, new instrumentalities have emerged to facilitate more advanced forms of strategic planning. The United States has only recently begun to realize the difficulties involved in formulating a coherent growth strategy.

City interests have been wary of growth strategy deliberations, fearing in the short run that a broadening of concerns would only dissipate scarce resources still

²⁰For a more detailed discussion of some of these variables and ways of manipulating them, see Lloyd Rodwin and Lawrence Susskind, "Land Use Research Issues Suggested by a National Urban Growth Strategy," prepared for the National Science Foundation Conference on Land Use Planning, Boulder, Colorado, July 25-August 5, 1972; Lloyd Rodwin and Lawrence Susskind, "New Communities and National Urban Growth Strategies," prepared for the American Institute of Architects Conference on New Communities, Washington, D.C., November 3-6, 1971; Lawrence Susskind and Gary Hack, "New Communities in a National Urban Growth Strategy," Technology Review, February, 1972.

further.²¹ This is a self-defeating position. First, the importance of cities in the hierarchy of metropolitan settlements (and thus the reasonableness of their claim for special assistance) becomes even more apparent when larger growth patterns are taken into account. Second, it is quite possible that depopulation of larger cities and highly limited growth in medium-sized cities would be advantageous. Only a carefully articulated national growth strategy can guarantee that suburban areas will be forced to accept their fair share of the poor and the disadvantaged who traditionally have exerted a constant drain on city resources. As a power block, city interests must exert pressure at the national and state levels to ensure more efficient and equitable patterns of urban growth. The only way to accomplish this is to become actively involved in the growth strategy debate.

In this larger context, it is apparent that problems in cities are different from problems of cities. While social welfare policies aimed at equalizing income may help to deal with the relative deprivation of the poor who tend to cluster in major metropolitan areas, only a focus on the

²¹For example, see a memorandum prepared by the National Urban Coalition outlining recommendations to the Domestic Council on the President's National Urban Growth Policy Report, December 14, 1971.

larger issues of national growth and development can provide a handle for dealing with the structural inefficiencies that plague all cities and towns. Also, it should be clear that intergovernmental transfers (money flows), whatever form they take, represent only one variable in the city survival equation.



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* Appendix section A & B (pgs.529-591) contain illegible text.

APPENDIX A



Public Law 89-749
89th Congress, S. 3008
November 3, 1966

An Act

To amend the Public Health Service Act to promote and assist in the extension and improvement of comprehensive health planning and public health services, to provide for a more effective use of available Federal funds for such planning and services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Health Planning and Public Health Services Amendments of 1966".

Comprehensive
Health Plan-
ning and Pub-
lic Health
Services Amend-
ments of 1966.

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress declares that fulfillment of our national purpose depends on promoting and assuring the highest level of health attainable for every person, in an environment which contributes positively to healthful individual and family living; that attainment of this goal depends on an effective partnership, involving close intergovernmental collaboration, official and voluntary efforts, and participation of individuals and organizations; that Federal financial assistance must be directed to support the marshaling of all health resources—national, State, and local—to assure comprehensive health services of high quality for every person, but without interference with existing patterns of private professional practice of medicine, dentistry, and related healing arts.

(b) To carry out such purpose, and recognizing the changing character of health problems, the Congress finds that comprehensive planning for health services, health manpower, and health facilities is essential at every level of government; that desirable administration requires strengthening the leadership and capacities of State health agencies; and that support of health services provided people in their communities should be broadened and made more flexible.

80 STAT. 1180
80 STAT. 1181

GRANTS FOR COMPREHENSIVE HEALTH PLANNING AND PUBLIC HEALTH SERVICES

SEC. 3. Section 314 of the Public Health Service Act (42 U.S.C. 246) is amended to read as follows:

58 Stat. 693.

"GRANTS FOR COMPREHENSIVE HEALTH PLANNING AND PUBLIC HEALTH SERVICES

"Grants to States for Comprehensive State Health Planning

"SEC. 314. (a) (1) AUTHORIZATION.—In order to assist the States in comprehensive and continuing planning for their current and future health needs, the Surgeon General is authorized during the period beginning July 1, 1966, and ending June 30, 1968, to make grants to States which have submitted, and had approved by the Surgeon General, State plans for comprehensive State health planning. For the purposes of carrying out this subsection, there are hereby authorized to be appropriated \$2,500,000 for the fiscal year ending June 30, 1967, and \$3,000,000 for the fiscal year ending June 30, 1968.

"(2) STATE PLANS FOR COMPREHENSIVE STATE HEALTH PLANNING.—In order to be approved for purposes of this subsection, a State plan for comprehensive State health planning must—

"(A) designate, or provide for the establishment of, a single State agency, which may be an interdepartmental agency, as the

sole agency for administering or supervising the administration of the State's health planning functions under the plan;

"(B) provide for the establishment of a State health planning council, which shall include representatives of State and local agencies and nongovernmental organizations and groups concerned with health, and of consumers of health services, to advise such State agency in carrying out its functions under the plan, and a majority of the membership of such council shall consist of representatives of consumers of health services;

"(C) set forth policies and procedures for the expenditure of funds under the plan, which, in the judgment of the Surgeon General, are designed to provide for comprehensive State planning for health services (both public and private), including the facilities and persons required for the provision of such services, to meet the health needs of the people of the State;

"(D) provide for encouraging cooperative efforts among governmental or nongovernmental agencies, organizations and groups concerned with health services, facilities, or manpower, and for cooperative efforts between such agencies, organizations, and groups and similar agencies, organizations, and groups in the fields of education, welfare, and rehabilitation;

"(E) contain or be supported by assurances satisfactory to the Surgeon General that the funds paid under this subsection will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available by the State for the purpose of comprehensive health planning and not to supplant such non-Federal funds;

"(F) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Surgeon General shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Surgeon General to be necessary for the proper and efficient operation of the plan;

"(G) provide that the State agency will make such reports, in such form and containing such information, as the Surgeon General may from time to time reasonably require, and will keep such records and afford such access thereto as the Surgeon General finds necessary to assure the correctness and verification of such reports;

"(H) provide that the State agency will from time to time, but not less often than annually, review its State plan approved under this subsection and submit to the Surgeon General appropriate modifications thereof;

"(I) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the State under this subsection; and

"(J) contain such additional information and assurances as the Surgeon General may find necessary to carry out the purposes of this subsection.

"(3) (A) STATE ALLOTMENTS.—From the sums appropriated for such purpose for each fiscal year, the several States shall be entitled to allotments determined, in accordance with regulations, on the basis of the population and the per capita income of the respective States; except that no such allotment to any State for any fiscal year shall be less than 1 per centum of the sum appropriated for such fiscal year pursuant to paragraph (1). Any such allotment to a State for a fiscal year shall remain available for obligation by the State, in accordance with the

80 STAT. 1181
80 STAT. 1182

Recordkeeping
requirements.

November 3, 1966

- 3 -

Pub. Law 89-749

provisions of this subsection and the State's plan approved thereunder, until the close of the succeeding fiscal year.

"(B) The amount of any allotment to a State under subparagraph (A) for any fiscal year which the Surgeon General determines will not be required by the State, during the period for which it is available, for the purposes for which allotted shall be available for reallocation by the Surgeon General from time to time, on such date or dates as he may fix, to other States with respect to which such a determination has not been made, in proportion to the original allotments to such States under subparagraph (A) for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Surgeon General estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount so reallocated to a State from funds appropriated pursuant to this subsection for a fiscal year shall be deemed part of its allotment under subparagraph (A) for such fiscal year.

80 STAT. 1182
80 STAT. 1133

"(4) PAYMENTS TO STATES.—From each State's allotment for a fiscal year under this subsection, the State shall from time to time be paid the Federal share of the expenditures incurred during that year or the succeeding year pursuant to its State plan approved under this subsection. Such payments shall be made on the basis of estimates by the Surgeon General of the sums the State will need in order to perform the planning under its approved State plan under this subsection, but with such adjustments as may be necessary to take account of previously made underpayments or overpayments. The 'Federal share' for any State for purposes of this subsection shall be all, or such part as the Surgeon General may determine, of the cost of such planning.

"Project Grants for Arcawide Health Planning

"(b) The Surgeon General is authorized, during the period beginning July 1, 1966, and ending June 30, 1968, to make, with the approval of the State agency administering or supervising the administration of the State plan approved under subsection (a), project grants to any other public or nonprofit private agency or organization to cover not to exceed 75 per centum of the costs of projects for developing (and from time to time revising) comprehensive regional, metropolitan area, or other local area plans for coordination of existing and planned health services, including the facilities and persons required for provision of such services; except that in the case of project grants made in any State prior to July 1, 1968, approval of such State agency shall be required only if such State has such a State plan in effect at the time of such grants. For the purposes of carrying out this subsection, there are hereby authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1967, and \$7,500,000 for the fiscal year ending June 30, 1968.

"Project Grants for Training, Studies, and Demonstrations

"(c) The Surgeon General is also authorized, during the period beginning July 1, 1966, and ending June 30, 1968, to make grants to any public or nonprofit private agency, institution, or other organization to cover all or any part of the cost of projects for training, studies, or demonstrations looking toward the development of improved or more effective comprehensive health planning throughout the Nation.

For the purposes of carrying out this subsection, there are hereby authorized to be appropriated \$1,500,000 for the fiscal year ending June 30, 1967, and \$2,500,000 for the fiscal year ending June 30, 1968.

"Grants for Comprehensive Public Health Services

"(d) (1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$62,500,000 for the fiscal year ending June 30, 1968, to enable the Surgeon General to make grants to State health or mental health authorities to assist the States in establishing and maintaining adequate public health services, including the training of personnel for State and local health work. The sums so appropriated shall be used for making payments to States which have submitted, and had approved by the Surgeon General, State plans for provision of public health services.

Standards.

"(2) STATE PLANS FOR PROVISION OF PUBLIC HEALTH SERVICES.—In order to be approved under this subsection, a State plan for provision of public health services must—

"(A) provide for administration or supervision of administration by the State health authority or, with respect to mental health services, the State mental health authority;

"(B) set forth the policies and procedures to be followed in the expenditure of the funds paid under this subsection;

"(C) contain or be supported by assurances satisfactory to the Surgeon General that (i) the funds paid to the State under this subsection will be used to make a significant contribution toward providing and strengthening public health services in the various political subdivisions in order to improve the health of the people; (ii) such funds will be made available to other public or nonprofit private agencies, institutions, and organizations, in accordance with criteria which the Surgeon General determines are designed to secure maximum participation of local, regional, or metropolitan agencies and groups in the provision of such services; and (iii) such funds will be used to supplement and, to the extent practical, to increase the level of funds that would otherwise be made available for the purposes for which the Federal funds are provided and not to supplant such non-Federal funds;

"(D) provide for the furnishing of public health services under the State plan in accordance with such plans as have been developed pursuant to subsection (a);

"(E) provide that public health services furnished under the plan will be in accordance with standards prescribed by regulations, including standards as to the scope and quality of such services;

"(F) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Surgeon General shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Surgeon General to be necessary for the proper and efficient operation of the plan;

"(G) provide that the State health authority or, with respect to mental health services, the State mental health authority, will from time to time, but not less often than annually, review and evaluate its State plan approved under this subsection and submit to the Surgeon General appropriate modifications thereof;

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80 STAT. 1185

"(H) provide that the State health authority or, with respect to mental health services, the State mental health authority, will make such reports, in such form and containing such information, as the Surgeon General may from time to time reasonably require, and will keep such records and afford such access thereto as the Surgeon General finds necessary to assure the correctness and verification of such reports;

Recordkeeping
requirements.

"(I) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this subsection; and

"(J) contain such additional information and assurances as the Surgeon General may find necessary to carry out the purposes of this subsection.

"(3) STATE ALLOTMENTS.—From the sums appropriated to carry out the provisions of this subsection the several States shall be entitled for each fiscal year to allotments determined, in accordance with regulations, on the basis of the population and financial need of the respective States, except that no State's allotment shall be less for any year than the total amounts allotted to such State under formula grants for cancer control, plus other allotments under this section, for the fiscal year ending June 30, 1967.

"(4) (A) PAYMENTS TO STATES.—From each State's allotment under this subsection for a fiscal year, the State shall be paid the Federal share of the expenditures incurred during such year under its State plan approved under this subsection. Such payments shall be made from time to time in advance on the basis of estimates by the Surgeon General of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this subsection.

"(B) For the purpose of determining the Federal share for any State, expenditures by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions as may be prescribed by regulations, be regarded as expenditures by such State or a political subdivision thereof.

"(5) FEDERAL SHARE.—The 'Federal share' for any State for purposes of this subsection shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States; except that in no case shall such percentage be less than 33½ per centum or more than 66⅔ per centum, and except that the Federal share for the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66⅔ per centum.

"Federal
share."

"(6) DETERMINATION OF FEDERAL SHARES.—The Federal shares shall be determined by the Surgeon General between July 1 and September 1 of each year, on the basis of the average per capita incomes of each of the States and of the United States for the most recent year for which satisfactory data are available from the Department of Commerce, and such determination shall be conclusive for the fiscal year beginning on the next July 1. The populations of the several States shall be determined on the basis of the latest figures for the population of the several States available from the Department of Commerce.

"(7) ALLOCATION OF FUNDS WITHIN THE STATES.—At least 15 per centum of a State's allotment under this subsection shall be available only to the State mental health authority for the provision under the State plan of mental health services.

"Project Grants for Health Services Development

"(e) There are authorized to be appropriated \$62,500,000 for the fiscal year ending June 30, 1968, for grants to any public or nonprofit private agency, institution, or organization to cover part of the cost of (1) providing services to meet health needs of limited geographic scope or of specialized regional or national significance, (2) stimulating and supporting for an initial period new programs of health services, or (3) undertaking studies, demonstrations, or training designed to develop new methods or improve existing methods of providing health services. Such grants may be made pursuant to clause (1) or (2) of the preceding sentence with respect to projects involving the furnishing of public health services only if such services are provided in accordance with such plans as have been developed pursuant to subsection (a).

"Interchange of Personnel With States

"State."

"(f) (1) For the purposes of this subsection, the term 'State' means a State or a political subdivision of a State, or any agency of either of the foregoing engaged in any activities related to health or designated or established pursuant to subparagraph (A) of paragraph (2) of subsection (a); the term 'Secretary' means (except when used in paragraph (3) (D)) the Secretary of Health, Education, and Welfare; and the term 'Department' means the Department of Health, Education, and Welfare.

"(2) The Secretary is authorized, through agreements or otherwise, to arrange for assignment of officers and employees of States to the Department and assignment to States of officers and employees in the Department engaged in work related to health, for work which the Secretary determines will aid the Department in more effective discharge of its responsibilities in the field of health as authorized by law, including cooperation with States and the provision of technical or other assistance. The period of assignment of any officer or employee under an arrangement shall not exceed two years.

"(3) (A) Officers and employees in the Department assigned to any State pursuant to this subsection shall be considered, during such assignment, to be (i) on detail to a regular work assignment in the Department, or (ii) on leave without pay from their positions in the Department.

"(B) Persons considered to be so detailed shall remain as officers or employees, as the case may be, in the Department for all purposes, except that the supervision of their duties during the period of detail may be governed by agreement between the Department and the State involved.

"(C) In the case of persons so assigned and on leave without pay—

"(i) if the rate of compensation (including allowances) for their employment by the State is less than the rate of compensation (including allowances) they would be receiving had they continued in their regular assignment in the Department, they may receive supplemental salary payments from the Department in the amount considered by the Secretary to be justified, but not at a rate in excess of the difference between the State rate and the Department rate; and

"(ii) they may be granted annual leave and sick leave to the extent authorized by law, but only in circumstances considered by the Secretary to justify approval of such leave.

Such officers and employees on leave without pay shall, notwithstanding any other provision of law, be entitled—

"(iii) to continuation of their insurance under the Federal Employees' Group Life Insurance Act of 1954, and coverage

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60 STAT. 1187

under the Federal Employees Health Benefits Act of 1959, so long as the Department continues to collect the employee's contribution from the officer or employee involved and to transmit for timely deposit into the funds created under such Acts the amount of the employee's contributions and the Government's contribution from appropriations of the Department; and

"(iv) (I) in the case of commissioned officers of the Service, to have their service during their assignment treated as provided in section 214(d) for such officers on leave without pay, or (II) in the case of other officers and employees in the Department, to credit the period of their assignment under the arrangement under this subsection toward periodic or longevity step increases and for retention and leave accrual purposes, and, upon payment into the civil service retirement and disability fund of the percentage of their State salary, and of their supplemental salary payments, if any, which would have been deducted from a like Federal salary for the period of such assignment and payment by the Secretary into such fund of the amount which would have been payable by him during the period of such assignment with respect to a like Federal salary, to treat (notwithstanding the provisions of the Independent Offices Appropriation Act, 1959, under the head 'Civil Service Retirement and Disability Fund') their service during such period as service within the meaning of the Civil Service Retirement Act;

except that no officer or employee or his beneficiary may receive any benefits under the Civil Service Retirement Act, the Federal Employees Health Benefits Act of 1959, or the Federal Employees' Group Life Insurance Act of 1954, based on service during an assignment hereunder for which the officer or employee or (if he dies without making such election) his beneficiary elects to receive benefits, under any State retirement or insurance law or program, which the Civil Service Commission determines to be similar. The Department shall deposit currently in the funds created under the Federal Employees' Group Life Insurance Act of 1954, the Federal Employees Health Benefits Act of 1959, and the civil service retirement and disability fund, respectively, the amount of the Government's contribution under these Acts on account of service with respect to which employee contributions are collected as provided in subparagraph (iii) and the amount of the Government's contribution under the Civil Service Retirement Act on account of service with respect to which payments (of the amount which would have been deducted under that Act) referred to in subparagraph (iv) are made to such civil service retirement and disability fund.

"(D) Any such officer or employee on leave without pay (other than a commissioned officer of the Service) who suffers disability or death as a result of personal injury sustained while in the performance of his duty during an assignment hereunder, shall be treated, for the purposes of the Federal Employees' Compensation Act, as though he were an employee, as defined in such Act, who had sustained such injury in the performance of duty. When such person (or his dependents, in case of death) entitled by reason of injury or death to benefits under that Act is also entitled to benefits from a State for the same injury or death, he (or his dependents in case of death) shall elect which benefits he will receive. Such election shall be made within one year after the injury or death, or such further time as the Secretary of Labor may for good cause allow, and when made shall be irrevocable unless otherwise provided by law.

"(4) Assignment of any officer or employee in the Department to a State under this subsection may be made with or without reimburse-

73 Stat. 708.
5 USC 3001 note.58 Stat. 690.
42 USC 215.72 Stat. 1064.
5 USC 2267 note.
70 Stat. 736.
5 USC 2251 note.68 Stat. 736.
5 USC 2091 note.39 Stat. 742;
63 Stat. 854.
5 USC 751 note.

Transportation
of household
goods.

ment by the State for the compensation (or supplementary compensation), travel and transportation expenses (to or from the place of assignment), and allowances, or any part thereof, of such officer or employee during the period of assignment, and any such reimbursement shall be credited to the appropriation utilized for paying such compensation, travel or transportation expenses, or allowances.

"(5) Appropriations to the Department shall be available, in accordance with the standardized Government travel regulations or, with respect to commissioned officers of the Service, the joint travel regulations, the expenses of travel of officers and employees assigned to States under an arrangement under this subsection on either a detail or leave-without-pay basis and, in accordance with applicable law, orders, and regulations, for expenses of transportation of their immediate families and expenses of transportation of their household goods and personal effects, in connection with the travel of such officers and employees to the location of their posts of assignment and their return to their official stations.

"(6) Officers and employees of States who are assigned to the Department under an arrangement under this subsection may (A) be given appointments in the Department covering the periods of such assignments, or (B) be considered to be on detail to the Department. Appointments of persons so assigned may be made without regard to the civil-service laws. Persons so appointed in the Department shall be paid at rates of compensation determined in accordance with the Classification Act of 1949, and shall not be considered to be officers or employees of the Service for the purposes of (A) the Civil Service Retirement Act, (B) the Federal Employees' Group Life Insurance Act of 1954, or (C) unless their appointments result in the loss of coverage in a group health benefits plan whose premium has been paid in whole or in part by a State contribution, the Federal Employees Health Benefits Act of 1959. State officers and employees who are assigned to the Department without appointment shall not be considered to be officers or employees of the Department, except as provided in subsection (7), nor shall they be paid a salary or wage by the Service during the period of their assignment. The supervision of the duties of such persons during the assignment may be governed by agreement between the Secretary and the State involved.

"(7) (A) Any State officer or employee who is assigned to the Department without appointment shall nevertheless be subject to the provisions of sections 203, 205, 207, 208, and 209 of title 18 of the United States Code.

"(B) Any State officer or employee who is given an appointment while assigned to the Department, or who is assigned to the Department without appointment, under an arrangement under this subsection, and who suffers disability or death as a result of personal injury sustained while in the performance of his duty during such assignment shall be treated, for the purpose of the Federal Employees' Compensation Act, as though he were an employee, as defined in such Act, who had sustained such injury in the performance of duty. When such person (or his dependents, in case of death) entitled by reason of injury or death to benefits under that Act is also entitled to benefits from a State for the same injury or death, he (or his dependents, in case of death) shall elect which benefits he will receive. Such election shall be made within one year after the injury or death, or such further time as the Secretary of Labor may for good cause allow, and when made shall be irrevocable unless otherwise provided by law.

"(8) The appropriations to the Department shall be available, in accordance with the standardized Government travel regulations,

Ante, p. 288.

70 Stat. 736.
5 USC 2251 note.
68 Stat. 736.
5 USC 2091 note.
73 Stat. 708.
5 USC 3001 note.

Conflict-of-
interest provi-
sions, applica-
bility.
76 Stat. 1121.

39 Stat. 742;
63 Stat. 854.
5 USC 751 note.

Travel expenses
to places of
assignment.

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80 STAT. 1189

during the period of assignment and in the case of travel to and from their places of assignment or appointment, for the payment of expenses of travel of persons assigned to, or given appointments by, the Service under an arrangement under this subsection.

"(9) All arrangements under this subsection for assignment of officers or employees in the Department to States or for assignment of officers or employees of States to the Department shall be made in accordance with regulations of the Secretary.

"General

"(g) (1) All regulations and amendments thereto with respect to grants to States under subsection (a) shall be made after consultation with a conference of the State health planning agencies designated or established pursuant to subparagraph (A) of paragraph (2) of subsection (a). All regulations and amendments thereto with respect to grants to States under subsection (d) shall be made after consultation with a conference of State health authorities and, in the case of regulations and amendments which relate to or in any way affect grants for services or other activities in the field of mental health, the State mental health authorities. Insofar as practicable, the Surgeon General shall obtain the agreement, prior to the issuance of such regulations or amendments, of the State authorities or agencies with whom such consultation is required.

"(2) The Surgeon General, at the request of any recipient of a grant under this section, may reduce the payments to such recipient by the fair market value of any equipment or supplies furnished to such recipient and by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the recipient when such furnishing or such detail, as the case may be, is for the convenience of and at the request of such recipient and for the purpose of carrying out the State plan or the project with respect to which the grant under this section is made. The amount by which such payments are so reduced shall be available for payment of such costs (including the costs of such equipment and supplies) by the Surgeon General, but shall, for purposes of determining the Federal share under subsection (a) or (d), be deemed to have been paid to the State.

Payment reductions.

"(3) Whenever the Surgeon General, after reasonable notice and opportunity for hearing to the health authority or, where appropriate, the mental health authority of a State or a State health planning agency designated or established pursuant to subparagraph (A) of paragraph (2) of subsection (a), finds that, with respect to money paid to the State out of appropriations under subsection (a) or (d), there is a failure to comply substantially with either—

Non-compliance, cessation of payments.

"(A) the applicable provisions of this section;

"(B) the State plan submitted under such subsection; or

"(C) applicable regulations under this section;

the Surgeon General shall notify such State health authority, mental health authority, or health planning agency, as the case may be, that further payments will not be made to the State from appropriations under such subsection (or in his discretion that further payments will not be made to the State from such appropriations for activities in which there is such failure), until he is satisfied that there will no longer be such failure. Until he is so satisfied, the Surgeon General shall make no payment to such State from appropriations under such subsection, or shall limit payment to activities in which there is no such failure.

- "Nonprofit."
80 STAT. 1189
80 STAT. 1190
- "State."
- "(4) For the purposes of this section—
 "(A) The term 'nonprofit' as applied to any private agency, institution, or organization means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and
 "(B) The term 'State' includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the District of Columbia and the term 'United States' means the fifty States and the District of Columbia."

CONTINUATION OF GRANTS TO SCHOOLS OF PUBLIC HEALTH

74 Stat. 819.
42 USC 242g.

SEC. 4. Effective July 1, 1967, section 309 of the Public Health Service Act is amended by adding after subsection (b) the following new subsection:

"(c) There are also authorized to be appropriated \$5,000,000 each for the fiscal year ending June 30, 1968, to enable the Surgeon General to make grants, under such terms and conditions as may be prescribed by regulations, for provision, in public or nonprofit private schools of public health accredited by a body or bodies recognized by the Surgeon General, of comprehensive professional training, specialized consultative services, and technical assistance in the fields of public health and in the administration of State or local public health programs, except that in allocating funds made available under this subsection among such schools of public health, the Surgeon General shall give primary consideration to the number of federally sponsored students attending each such school."

CONTINUATION OF AUTHORIZATION FOR TRAINING OF PERSONNEL FOR STATE AND LOCAL HEALTH WORK; COOPERATION BETWEEN THE STATES

58 Stat. 693.
42 USC 243.

SEC. 5. (a) Effective July 1, 1966, section 311 of the Public Health Service Act is amended by inserting "(a)" after "311." and by adding at the end of such section the following new subsection:

"(b) The Surgeon General shall encourage cooperative activities between the States with respect to comprehensive and continuing planning as to their current and future health needs, the establishment and maintenance of adequate public health services, and otherwise carrying out the purposes of section 314."

Ante, p. 1181.

(b) Effective July 1, 1967, section 311 of the Public Health Service Act is further amended by adding at the end of subsection (b) thereof the following new sentence: "The Surgeon General is also authorized to train personnel for State and local health work."

EFFECTIVE DATE AND REPEALER

75 Stat. 824;
78 Stat. 447.
42 USC 247aj, 247c.

SEC. 6. The amendments made by section 3 shall become effective as of July 1, 1966, except that the provisions of section 214 of the Public Health Service Act as in effect prior to the enactment of this Act shall be effective until July 1, 1967, in lieu of the provisions of subsections (d) and (e), and the provisions of subsection (g) insofar as they relate to such subsections (d) and (e), of section 314 of the Public Health Service Act as amended by this Act. Effective July 1, 1967, sections 316 and 318 of the Public Health Service Act are repealed.

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80 STAT, 1190**REORGANIZATION PLAN**

SEC. 7. The provisions enacted by this Act shall be subject to the provisions of Reorganization Plan Numbered 3 of 1960.

31 F.R. 8055.

Approved November 3, 1966.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 2271 accompanying H.R. 18231 (Comm. on Interstate & Foreign Commerce).

SENATE REPORT No. 1665 (Comm. on Labor & Public Welfare).

CONGRESSIONAL RECORD, Vol. 112 (1966):

Sept. 30: Considered in Senate.

Oct. 3: Considered and passed Senate.

Oct. 17: Considered and passed House, amended, in lieu of H.R. 18231.

Oct. 18: Senate concurred in House amendment.



Public Law 90-174
90th Congress, H. R. 6418
December 5, 1967

An Act

81 STAT. 533

To amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Partnership for Health Amendments of 1967".

Partnership for
Health Amendments
of 1967.

GRANTS FOR COMPREHENSIVE HEALTH PLANNING AND PUBLIC HEALTH SERVICES

SEC. 2. (a) (1) Subsection (a) (1) of section 314 of the Public Health Service Act (42 U.S.C. 246, as amended by section 3 of the Comprehensive Health Planning and Public Health Services Amendments of 1966, Public Law 89-749) is amended (1) by striking out "1968" the first time it appears and inserting in lieu thereof "1970" and (2) by striking out "and \$5,000,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "\$7,000,000 for the fiscal year ending June 30, 1968, \$10,000,000 for the fiscal year ending June 30, 1969, and \$15,000,000 for the fiscal year ending June 30, 1970".

Health planning
grants to States,
appropriation.
80 Stat. 1181.

(2) Subsection (a) (2) of such section is amended by redesignating subparagraphs (I) and (J) as subparagraphs (J) and (K), respectively, and by inserting after subparagraph (H) the following new paragraph:

State plans,
standards.

"(I) effective July 1, 1968, (i) provide for assisting each health care facility in the State to develop a program for capital expenditures for replacement, modernization, and expansion which is consistent with an overall State plan developed in accordance with criteria established by the Secretary after consultation with the State which will meet the needs of the State for health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner, and (ii) provide that the State agency furnishing such assistance will periodically review the program (developed pursuant to clause (i)) of each health care facility in the State and recommend appropriate modification thereof;"

(3) The last sentence of subsection (a) (4) of such section is amended by inserting before the period at the end thereof ", except that in the case of the allotments for the fiscal year ending June 30, 1970, it shall not exceed 75 per centum of such cost".

"Federal share"
of expenditures.
80 Stat. 1183.

(b) (1) Subsection (b) of such section is amended by striking out "1968" the first time it appears and inserting in lieu thereof "1970" and by striking out "and \$7,500,000 for the fiscal year ending June 30, 1968", and inserting in lieu thereof "\$7,500,000 for the fiscal year ending June 30, 1968, \$10,000,000 for the fiscal year ending June 30, 1969, and \$15,000,000 for the fiscal year ending June 30, 1970".

Areawide health
planning, project
grants.

(2) Such subsection (b) is further amended by inserting immediately after "project grants to any other public or nonprofit private agency or organization" the following: "(but with appropriate representation of the interests of local government where the recipient of the grant is not a local government or combination thereof or an agency of such government or combination)".

Recipients.

(c) Subsection (c) of such section is amended by striking out "1968" the first time it appears and inserting in lieu thereof "1970" and by

Training, studies,
etc., program
extension.

Comprehensive
public health
services, ap-
propriation.
80 Stat. 1184.
42 USC 246.

Allocation of
funds.

Health serv-
ices develop-
ment grants,
appropriation.
80 Stat. 1186.
"State."

Public health
school grants,
appropriation.
80 Stat. 1190.

striking out "and \$2,500,000 for the fiscal year ending June 30, 1968" and inserting in lieu thereof "\$2,500,000 for the fiscal year ending June 30, 1968, \$5,000,000 for the fiscal year ending June 30, 1969, and \$7,500,000 for the fiscal year ending June 30, 1970".

(d) (1) Subsection (d) (1) of such section is amended by striking out "\$62,500,000 for the fiscal year ending June 30, 1968," and inserting in lieu thereof "\$70,000,000 for the fiscal year ending June 30, 1968, \$90,000,000 for the fiscal year ending June 30, 1969, and \$100,000,000 for the fiscal year ending June 30, 1970,".

(2) Effective July 1, 1968, subsection (d) (5) of such section is amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(3) Subsection (d) (7) of such section is amended by adding at the end thereof the following new sentence: "Effective with respect to allotments under this subsection for fiscal years ending after June 30, 1968, at least 70 per centum of such amount reserved for mental health services and at least 70 per centum of the remainder of a State's allotment under this subsection shall be available only for the provision under the State plan of services in communities of the State."

(e) Subsection (e) of such section is amended by striking out "\$62,500,000 for the fiscal year ending June 30, 1968," and inserting in lieu thereof "\$90,000,000 for the fiscal year ending June 30, 1968, \$95,000,000 for the fiscal year ending June 30, 1969, and \$80,000,000 for the fiscal year ending June 30, 1970,".

(f) Effective July 1, 1968, subsection (g) (4) (B) of such section is amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(g) Effective July 1, 1967, subsection (c) of section 309 of such Act (42 U.S.C. 242g(c)), as amended by section 4 of the Comprehensive Health Planning and Public Health Services Amendments of 1966 (Public Law 89-749), is amended by striking out "each" after "\$5,000,000" and by inserting after "the fiscal year ending June 30, 1968," the following: "\$6,000,000 for the fiscal year ending June 30, 1969, and \$7,000,000 for the fiscal year ending June 30, 1970,".

RESEARCH AND DEMONSTRATIONS RELATING TO HEALTH FACILITIES AND SERVICES

SEC. 3. (a) Section 304 (42 U.S.C. 242b) of the Public Health Service Act is amended to read as follows:

69 Stat. 382;
70 Stat. 930.

"RESEARCH AND DEMONSTRATIONS RELATING TO HEALTH FACILITIES AND SERVICES

"SEC. 304. (a) The Secretary is authorized—

"(1) to make grants to States, political subdivisions, universities, hospitals, and other public or nonprofit private agencies, institutions, or organizations for projects for the conduct of research, experiments, or demonstrations (and related training), and

"(2) to make contracts with public or private agencies, institutions, or organizations for the conduct of research, experiments, or demonstrations (and related training),

relating to the development, utilization, quality, organization, and financing of services, facilities, and resources of hospitals, facilities for long-term care, or other medical facilities (including, for purposes of this section, facilities for the mentally retarded, as defined in the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963), agencies, institutions, or organizations or to development of new methods or improvement of existing methods

77 Stat. 282.
42 USC 2661 note.

of organization, delivery, or financing of health services, including, among others—

“(A) projects for the construction of units of hospitals, facilities for long-term care, or other medical facilities which involve experimental architectural designs or functional layout or use of new materials or new methods of construction, the efficiency of which can be tested and evaluated, or which involve the demonstration of such efficiency, particularly projects which also involve research, experiments, or demonstrations relating to delivery of health services, and

“(B) projects for development and testing of new equipment and systems, including automated equipment, and other new technology systems or concepts for the delivery of health services, and

“(C) projects for research and demonstration in new careers in health manpower and new ways of educating and utilizing health manpower.

“(b) Except where the Secretary determines that unusual circumstances make a larger percentage necessary in order to effectuate the purposes of this section, a grant or contract under this section with respect to any project for construction of a facility or for acquisition of equipment may not provide for payment of more than 50 per centum of so much of the cost of the facility or equipment as the Secretary determines is reasonably attributable to research, experimental, or demonstration purposes. The provisions of clause (5) of the third sentence of section 605(a) and such other conditions as the Secretary may determine shall apply with respect to grants or contracts under this section for projects for construction of a facility or for acquisition of equipment.

Cost limitation.

78 Stat. 454.
42 USC 291e.

“(c) Payments of any grants or under any contracts under this section may be made in advance or by way of reimbursement, and in such installments and on such conditions as the Secretary deems necessary to carry out the purposes of this section.

“(d) There are authorized to be appropriated for payment of grants or under contracts under this section \$20,000,000 for the fiscal year ending June 30, 1968, \$40,000,000 for the fiscal year ending June 30, 1969, and \$60,000,000 for the fiscal year ending June 30, 1970; except that, for any fiscal year ending after June 30, 1968, such portions of such sums as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this section.”

Appropriation.

Program evaluation.

(b) Effective with respect to appropriations for fiscal years ending after June 30, 1967—

Repeal.

78 Stat. 459.
42 USC 291n.

(1) section 624 of such Act is repealed; and

(2) the first sentence of section 314(e) of such Act is amended by inserting “or” at the end of clause (1), by striking out clause (3), by striking out “, or” at the end of clause (2), by inserting “(including related training)” after “providing services” in clause (1), and by amending clause (2) to read: “(2) developing and supporting for an initial period new programs of health services (including related training)”.

Ante, p. 534.

Any sums appropriated for the fiscal year ending June 30, 1968, for carrying out such sections 624 and 314(e) (3) which remain unobligated on the date of enactment of this Act shall be available for carrying out section 304 of the Public Health Service Act, and the total of such sums (and any portion of the appropriations for such year for such purpose obligated prior to such date of enactment in carrying out such sections) shall be deducted from the authorization for such year contained in such section 304.

Unobligated funds, availability.

Ante, p. 534.

COOPERATION WITH STATES IN EMERGENCIES

58 Stat. 693;
80 Stat. 1190.

SEC. 4. Section 311 of the Public Health Service Act (42 U.S.C. 243) is amended by inserting at the end thereof the following new subsection:

Reimbursement
of U. S.

“(c) The Secretary may enter into agreements providing for cooperative planning between Public Health Service medical facilities and community health facilities to cope with health problems resulting from disasters, and for participation by Public Health Service medical facilities in carrying out such planning. He may also, at the request of the appropriate State or local authority, extend temporary (not in excess of forty-five days) assistance to States or localities in meeting health emergencies of such a nature as to warrant Federal assistance. The Secretary may require such reimbursement of the United States for aid (other than planning) under the preceding sentences of this subsection as he may determine to be reasonable under the circumstances. Any reimbursement so paid shall be credited to the applicable appropriation of the Public Health Service for the year in which such reimbursement is received.”

CLINICAL LABORATORIES IMPROVEMENT

Clinical Laboratories Improvement Act of 1967.
58 Stat. 702.

SEC. 5. (a) Part F of title III of the Public Health Service Act (42 U.S.C. 262-3) is amended by changing the title to read: “LICENSING—BIOLOGICAL PRODUCTS AND CLINICAL LABORATORIES”, and by adding after section 352 (42 U.S.C. 263) the following new section:

“LICENSING OF LABORATORIES

“SEC. 353. (a) As used in this section—

“Laboratory;”
“clinical laboratory.”

“(1) the term ‘laboratory’ or ‘clinical laboratory’ means a facility for the biological, microbiological, serological, chemical, immuno-hematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body, for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, man;

“Interstate commerce.”

“(2) The term ‘interstate commerce’ means trade, traffic, commerce, transportation, transmission, or communication between any State or possession of the United States, the Commonwealth of Puerto Rico, or the District of Columbia, and any place outside thereof, or within the District of Columbia.

“(b) (1) No person may solicit or accept in interstate commerce, directly or indirectly, any specimen for laboratory examination or other laboratory procedures, unless there is in effect a license for such laboratory issued by the Secretary under this section applicable to such procedures.

Exemption.

“(2) The Secretary shall by regulation exempt from the provisions of this section laboratories whose operations are so small or infrequent as not to constitute a significant threat to the public health.

“(c) A license issued by the Secretary under this section may be applicable to all laboratory procedures or only to specified laboratory procedures or categories of laboratory procedures.

Standards.

“(d) (1) A license shall not be issued in the case of any clinical laboratory unless (A) the application therefor contains or is accompanied by such information as the Secretary finds necessary, and (B) the applicant agrees and the Secretary determines that such laboratory will be operated in accordance with standards found necessary by the Secretary to carry out the purposes of this section. Such standards shall be designed to assure consistent performance by the laboratories

of accurate laboratory procedures and services, and shall include, among others, standards to assure—

“(i) maintenance of a quality control program adequate and appropriate for accuracy of the laboratory procedures and services;

“(ii) maintenance of records, equipment, and facilities necessary to proper and effective operation of the laboratory;

“(iii) qualifications of the director of the laboratory and other supervisory professional personnel necessary for adequate and effective professional supervision of the operation of the laboratory (which shall include criteria relating to the extent to which training and experience shall be substituted for education); and

“(iv) participation in a proficiency testing program established by the Secretary.

“(2) A license issued under this section shall be valid for a period of three years, or such shorter period as the Secretary may establish for any clinical laboratory or any class or classes thereof; and may be renewed in such manner as the Secretary may prescribe. The provisions of this section requiring licensing shall not apply to a clinical laboratory in a hospital accredited by the Joint Commission on the Accreditation of Hospitals or by the American Osteopathic Association, or a laboratory which has been inspected and accredited by such commission or association, by the Commission on Inspection and Accreditation of the College of American Pathologists, or by any other national accreditation body approved for the purpose by the Secretary, but only if the standards applied by such commission, association, or other body in determining whether or not to accredit such hospital or laboratory are equal to or more stringent than the provisions of this section and the rules and regulations issued under this section, and only if there is adequate provision for assuring that such standards continue to be met by such hospital or laboratory; provided that any such laboratory shall be treated as a licensed laboratory for all other purposes of this section.

Period of
validity.

“(3) The Secretary may require payment of fees for the issuance and renewal of licenses, but the amount of any such fee shall not exceed \$125 per annum.

License fees.

“(e) A laboratory license may be revoked, suspended, or limited if the Secretary finds, after reasonable notice and opportunity for hearing to the owner or operator of the laboratory, that such owner or operator or any employee of the laboratory—

Revocation, etc.

“(1) has been guilty of misrepresentation in obtaining the license;

“(2) has engaged or attempted to engage or represented himself as entitled to perform any laboratory procedure or category of procedures not authorized in the license;

“(3) has failed to comply with the standards with respect to laboratories and laboratory personnel prescribed by the Secretary pursuant to this section;

“(4) has failed to comply with reasonable requests of the Secretary for any information or materials, or work on materials, he deems necessary to determine the laboratory's continued eligibility for its license hereunder or continued compliance with the Secretary's standards hereunder;

“(5) has refused a request of the Secretary or any Federal officer or employee duly designated by him for permission to inspect the laboratory and its operations and pertinent records at any reasonable time; or

“(6) has violated or aided and abetted in the violation of any provisions of this section or of any rule or regulation promulgated thereunder.

- Legal procedure.** “(f) Whenever the Secretary has reason to believe that continuation of any activity by a laboratory licensed under this section would constitute an imminent hazard to the public health, he may bring suit in the district court for the district in which such laboratory is situated to enjoin continuation of such activity and, upon proper showing, a temporary injunction or restraining order against continuation of such activity pending issuance of a final order under this section shall be granted without bond by such court.
- Judicial review.** “(g) (1) Any party aggrieved by any final action taken under subsection (e) of this section may at any time within sixty days after the date of such action file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28, United States Code.
- 72 Stat. 941;
80 Stat. 1323. “(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendations, if any, for the modification or setting aside of his original action, with the return of such additional evidence.
- “ (3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to affirm the action, or to set it aside in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.
- “ (4) The judgment of the court affirming or setting aside, in whole or in part, any such action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.
- 62 Stat. 928.
Penalty. “(h) Any person who willfully violates any provision of this section or any rule or regulation promulgated thereunder shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than \$1,000, or both such imprisonment and fine.
- Exemptions.** “(i) The provisions of this section shall not apply to any clinical laboratory operated by a licensed physician, osteopath, dentist, or podiatrist, or group thereof, who performs or perform laboratory tests or procedures, personally or through his or their employees, solely as an adjunct to the treatment of his or their own patients; nor shall such provisions apply to any laboratory with respect to tests or other procedures made by it for any person engaged in the business of insurance if made solely for purposes of determining whether to write an insurance contract or of determining eligibility or continued eligibility for payments thereunder.
- “ (j) In carrying out his functions under this section, the Secretary is authorized, pursuant to agreement, to utilize the services or facilities of any Federal or State or local public agency or nonprofit private agency or organization, and may pay therefor in advance or by way of reimbursement, and in such installments, as he may determine.

"(k) Nothing in this section shall be construed as affecting the power of any State to enact and enforce laws relating to the matters covered by this section to the extent that such laws are not inconsistent with the provisions of this section or with the rules and regulations issued under this section.

"(l) Where a State has enacted or hereafter enacts laws relating to matters covered by this section, which provide for standards equal to or more stringent than the provisions of this section or than the rules and regulations issued under this section, the Secretary may exempt clinical laboratories in that State from compliance with this section."

(b) The amendment made by subsection (a) shall become effective on the first day of the thirteenth month after the month in which it is enacted, except that the Secretary of Health, Education, and Welfare may postpone such effective date for such additional period as he finds necessary, but not beyond the first day of the 19th month after such month in which the amendment is enacted. Effective date.

(c) This section may be cited as the "Clinical Laboratories Improvement Act of 1967". Short title.

VOLUNTEER SERVICES

SEC. 6. Title II of the Public Health Service Act is amended by adding after section 222 (42 U.S.C. 217a) the following new section: 58 Stat. 683.
42 USC 202
et seq.

"VOLUNTEER SERVICES

"SEC. 223. Subject to regulations, volunteer and uncompensated services may be accepted by the Secretary, or by any other officer or employee of the Department of Health, Education, and Welfare designated by him, for use in the operation of any health care facility or in the provision of health care."

COOPERATION AS TO MEDICAL CARE FACILITIES AND RESOURCES

SEC. 7. Part C of title III of the Public Health Service Act is amended by adding after section 327 (42 U.S.C. 254) the following new section: 58 Stat. 695.
42 USC 248
et seq.

"SHARING OF MEDICAL CARE FACILITIES AND RESOURCES

"SEC. 328. (a) For purposes of this section—

"(1) the term 'specialized health resources' means health care resources (whether equipment, space, or personnel) which, because of cost, limited availability, or unusual nature, are either unique in the health care community or are subject to maximum utilization only through mutual use; "Specialized health resources."

"(2) the term 'hospital', unless otherwise specified, includes (in addition to other hospitals) any Federal hospital. "Hospital."

"(b) For the purpose of maintaining or improving the quality of care in Public Health Service facilities and to provide a professional environment therein which will help to attract and retain highly qualified and talented health personnel, to encourage mutually beneficial relationships between Public Health Service facilities and hospitals and other health facilities in the health care community, and to promote the full utilization of hospitals and other health facilities and resources, the Secretary may—

"(1) enter into agreements or arrangements with schools of medicine, and with other health schools, agencies, or institutions, for such interchange or cooperative use of facilities and services on a reciprocal or reimbursable basis, as will be of benefit to the

training or research programs of the participating agencies; and
 "(2) enter into agreements or arrangements with hospitals and other health care facilities for the mutual use or the exchange of use of specialized health resources, and providing for reciprocal reimbursement.

Any reimbursement pursuant to any such agreement or arrangement shall be based on charges covering the reasonable cost of such utilization, including normal depreciation and amortization costs of equipment. Any proceeds to the Government under this subsection shall be credited to the applicable appropriation of the Public Health Service for the year in which such proceeds are received."

PROGRAM EVALUATION

Ante, p. 534. SEC. 8. (a) Paragraph (1) of section 314(d) of the Public Health Service Act is amended by inserting before the period at the end thereof the following: ", except that, for any fiscal year ending after June 30, 1968, such portion of such sums as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this subsection and the amount available for allotments hereunder shall be reduced accordingly".

Ante, pp. 534, 535. (b) Section 314(e) of such Act is amended by inserting at the end thereof the following new sentence: "For any fiscal year ending after June 30, 1968, such portion of the appropriations for grants under this subsection as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this subsection."

Ante, p. 534. (c) Section 309(c) of such Act is amended by inserting "(1)" after "except that" and by inserting before the period at the end thereof the following: ", and (2) for any fiscal year ending after June 30, 1968, such portions of the funds made available under this subsection as the Secretary may determine, but not exceeding 1 per centum thereof, shall be available to the Secretary for evaluation (directly or by grants or contracts) of the program authorized by this subsection".

RESEARCH CONTRACT AUTHORITY

79 Stat. 448. SEC. 9. Paragraph (h) of section 301 of the Public Health Service Act (42 U.S.C. 241) is amended by striking out "two succeeding fiscal years" and by inserting in lieu thereof "five succeeding fiscal years".

MEDICAL CARE FOR FEDERAL EMPLOYEES AT REMOTE STATIONS OF THE SERVICE

58 Stat. 697. SEC. 10. (a) Section 324 of the Public Health Service Act (42 U.S.C. 251) is amended by inserting "(a)" immediately after "Sec. 324." and by redesignating clauses (a) through (d) of such section, and references thereto, as clauses (1) through (4).

(b) Section 324 of such Act is further amended by adding at the end thereof the following new subsection:

80 Stat. 600. "(b) The Secretary is authorized to provide medical, surgical, and dental treatment and hospitalization and optometric care for Federal employees (as defined in section 8901(1) of title 5 of the United States Code) and their dependents at remote medical facilities of the Public Health Service where such care and treatment are not otherwise available. Such employees and their dependents who are not entitled to this care and treatment under any other provision of law shall be charged for it at rates established by the Secretary to reflect the reasonable cost

December 5, 1967

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Pub. Law 90-174

81 STAT. 541

of providing the care and treatment. Any payments pursuant to the preceding sentence shall be credited to the applicable appropriation to the Public Health Service for the year in which such payments are received."

(c) Paragraph (7) of subsection (a) of section 322 of such Act is amended to read as follows:

58 Stat. 696.
42 USC 249.

"(7) Seamen-trainees, while participating in maritime training programs to develop or enhance their employability in the maritime industry; and".

PROJECTS FOR HOSPITAL EXPERIMENTATION, LOANS FOR INCREASED COSTS

SEC. 11. Title VI of the Public Health Service Act is amended by inserting immediately after section 623 the following new section:

78 Stat. 447.
42 USC 291-
291o.

"LOANS FOR CERTAIN HOSPITAL EXPERIMENTATION PROJECTS

"SEC. 623A. (a) In order to alleviate hardship on any recipient of a grant under section 636 of this title (as in effect immediately before the enactment of the Hospital and Medical Facilities Amendments of 1964) for a project for the construction of an experimental or demonstration facility having as its specific purpose the application of novel means for the reduction of hospital costs with respect to which there has been a substantial increase in the cost of such construction (over the estimated cost of such project on the basis of which such grant was made) through no fault of such recipient, the Secretary is authorized to make a loan to such recipient not exceeding 66 $\frac{2}{3}$ per centum of such increased costs, as determined by the Secretary, if the Secretary determines that such recipient is unable to obtain such an amount for such purpose from other public or private sources.

63 Stat. 900;
75 Stat. 825.
42 USC 291n
note.
78 Stat. 447.
42 USC 291
note.

"(b) Any such loan shall be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe.

"(c) Each such loan shall bear interest at the rate of 2 $\frac{1}{2}$ per centum per annum on the unpaid balance thereof and shall be repayable over a period determined by the Secretary to be appropriate, but not exceeding fifty years.

Interest.

"(d) There are hereby authorized to be appropriated \$3,500,000 to carry out the provisions of this section."

Appropriation.

MINOR OR TECHNICAL AMENDMENTS

SEC. 12. (a) Section 806(c) (1) of the Public Health Service Act (42 U.S.C. 296e(c) (1)) is amended by inserting after "from a loan fund established pursuant to section 822" the following: "or from sums paid by the Secretary from the revolving fund created by section 827(d), or a nursing educational opportunity grant payment made pursuant to section 862".

Nurse training.
78 Stat. 912.

(b) The second sentence of section 312 of such Act (42 U.S.C. 244) is amended by inserting "and officials of other State or local public or private agencies, institutions, or organizations" after "such health authorities".

80 Stat. 1234.
42 USC 297f.
80 Stat. 1237.
42 USC 298o-1.
Health confer-
ences.

(c) Section 725(a) of such Act (42 U.S.C. 293e(a)) is amended by striking out "twelve" and inserting in lieu thereof "thirteen".

60 Stat. 424.
Advisory council,
membership.
77 Stat. 169.
Personnel inter-
change with
States.
80 Stat. 1186.
42 USC 246.

(d) Section 314(f) of such Act is amended by—

(1) inserting "for" before "the expenses of travel" in paragraph (5);

(2) striking out "Service" and inserting in lieu thereof "Department" in paragraphs (6) and (8).

81 STAT., 542

"Training center for allied health professions." (e) Section 795(1)(A)(ii) of such Act is amended to read as follows: "(ii) of education in optometric technology, dental hygiene, or curriculums as are specified by regulation, and".

80 Stat. 1228. (f) The amendment made by subsection (a) shall be effective as of November 3, 1966.

42 USC 295h-4.
Effective date.

COMPREHENSIVE SURVEY

Report to
Congress.

SEC. 14. The Secretary of Health, Education, and Welfare, in consultation and cooperation with other officials of the Federal Government and of the States, shall make a comprehensive survey of the incidence and location of serious hunger and malnutrition and health problems incident thereto in the United States and shall report his findings and recommendations for dealing with these conditions to the Congress within six months from the date of enactment of this section.

MEANING OF SECRETARY

SEC. 15. As used in the amendments made by this Act, the term "Secretary" means the Secretary of Health, Education, and Welfare.

Approved December 5, 1967.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 538 (Comm. on Interstate & Foreign Commerce) and No. 974 (Comm. of Conference).

SENATE REPORT No. 724 (Comm. on Labor & Public Welfare).

CONGRESSIONAL RECORD, Vol. 113 (1967):

Sept. 19, 20: Considered and passed House.

Nov. 6: Considered and passed Senate, amended.

Nov. 21: House and Senate agreed to conference report.



Public Law 91-515
91st Congress, H. R. 17570
October 30, 1970

An Act

To amend titles III and IX of the Public Health Service Act so as to revise, extend, and improve the programs of research, investigation, education, training, and demonstrations authorized thereunder, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Public Health Service Act, amendments.

TITLE I—AMENDMENTS TO TITLE IX OF THE PUBLIC HEALTH SERVICE ACT

SEC. 101. This title may be cited as the "Heart Disease, Cancer, Stroke, and Kidney Disease Amendments of 1970".

Citation of title.

SEC. 102. Section 900 of the Public Health Service Act is amended to read as follows:

79 Stat. 926.
42 USC 299.

"PURPOSES

"SEC. 900. The purposes of this title are—

"(a) through grants and contracts, to encourage and assist in the establishment of regional cooperative arrangements among medical schools, research institutions, and hospitals for research and training (including continuing education), for medical data exchange, and for demonstrations of patient care in the fields of heart disease, cancer, stroke, and kidney disease, and other related diseases;

84 STAT. 1297
84 STAT. 1298

"(b) to afford to the medical profession and the medical institutions of the Nation, through such cooperative arrangements, the opportunity of making available to their patients the latest advances in the prevention, diagnosis, and treatment and rehabilitation of persons suffering from these diseases;

"(c) to promote and foster regional linkages among health care institutions and providers so as to strengthen and improve primary care and the relationship between specialized and primary care; and

"(d) by these means, to improve generally the quality and enhance the capacity of the health manpower and facilities available to the Nation and to improve health services for persons residing in areas with limited health services, and to accomplish these ends without interfering with the patterns, or the methods of financing, of patient care or professional practice, or with the administration of hospitals, and in cooperation with practicing physicians, medical center officials, hospital administrators, and representatives from appropriate voluntary health agencies."

SEC. 103. (a) (1) The first sentence of section 901(a) of such Act is amended by striking out "and" immediately after "June 30, 1969," and by inserting immediately before ", for grants" the following: ", \$125,000,000 for the fiscal year ending June 30, 1971, \$150,000,000 for the fiscal year ending June 30, 1972, and \$250,000,000 for the fiscal year ending June 30, 1973".

Appropriations.
82 Stat. 1005.
42 USC 299a.

(2) Such first sentence is further amended by striking out the period after "title" and inserting in lieu thereof "and for contracts to carry out the purposes of this title."

(3) Such section 901(a) is amended by striking out the second sentence and inserting in lieu thereof the following: "Of the sums appropriated under this section for the fiscal year ending June 30, 1971, not more than \$15,000,000 shall be available for activities in the field

Funds, limitation.

of kidney disease. Of the sums appropriated under this section for any fiscal year ending after June 30, 1970, not more than \$5,000,000 may be made available in any such fiscal year for grants for new construction."

79 Stat. 926;
82 Stat. 1006.
42 USC 299a.

(b) Section 901 of such Act is further amended by adding at the end thereof the following new subsection:

84 STAT. 1298
84 STAT. 1299
42 USC 299b.

"(c) At the request of any recipient of a grant under this title, the payments to such recipient may be reduced by the fair market value of any equipment, supplies, or services furnished by the Secretary to such recipient and by the amount of the pay, allowance, traveling expenses, and any other costs in connection with the detail of an officer or employee of the Government to the recipient when such furnishing or such detail, as the case may be, is for the convenience of and at the request of such recipient and for the purpose of carrying out the regional medical program to which the grant under this title is made."

SEC. 104. Section 902(a) of such Act is amended by striking out "training, diagnosis, and treatment relating to heart disease, cancer, or stroke, and, at the option of the applicant, related disease or diseases" and inserting in lieu thereof "training, prevention, diagnosis, treatment, and rehabilitation relating to heart disease, cancer, stroke, or kidney disease and, at the option of the applicant, other related diseases".

(b) Section 902(f) is amended by striking out "includes" and inserting in lieu thereof "means new construction of facilities for demonstrations, research, and training when necessary to carry out regional medical programs".

42 USC 299c.

SEC. 105. Section 903(b)(4) of such Act is amended—

(1) by striking out "voluntary health agencies, and" and inserting in lieu thereof "voluntary or official health agencies, health planning agencies, and";

(2) by inserting immediately after "under the program", where it first appears therein, the following: "(including as an ex officio member, if there is located in such region one or more hospitals or other health facilities of the Veterans' Administration, the individual whom the Administrator of Veterans' Affairs shall have designated to serve on such advisory group as the representative of the hospitals or other health care facilities of such Administration which are located in such region)"; and

(3) by striking out "need for the services provided under the program" and inserting in lieu thereof "need for and financing of the services provided under the program, and which advisory group shall be sufficient in number to insure adequate community orientation (as determined by the Secretary)".

42 USC 299d.

SEC. 106. That part of the second sentence of section 904(b) of such Act preceding paragraph (1) is amended by striking out "section 903(b)(4) and" and inserting in lieu thereof the following: "section 903(b)(4), if opportunity has been provided, prior to such recommendation, for consideration of the application by each public or non-profit private agency or organization which has developed a comprehensive regional, metropolitan area, or other local area plan referred to in section 314(b) covering any area in which the regional medical program for which the application is made will be located, and if the application".

National Ad-
visory Council
on Regional
Medical Pro-
grams.
42 USC 299e.

SEC. 107. (a) Section 905(a) of such Act is amended to read as follows:

"SEC. 905. (a) The Secretary may appoint, without regard to the civil service laws, a National Advisory Council on Regional Medical Programs. The Council shall consist of the Assistant Secretary of Health, Education, and Welfare for Health and Scientific Affairs, who

shall be the Chairman, the Chief Medical Director of the Veterans' Administration who shall be an ex officio member, and twenty members, not otherwise in the regular full-time employ of the United States, who are leaders in the fields of the fundamental sciences, the medical sciences, health care administration, or public affairs. At least two of the appointed members shall be practicing physicians, one shall be outstanding in the study or health care of persons suffering from heart disease, one shall be outstanding in the study or health care of persons suffering from cancer, one shall be outstanding in the study or health care of persons suffering from stroke, one shall be outstanding in the study or health care of persons suffering from kidney disease, two shall be outstanding in the field of prevention of heart disease, cancer, stroke, or kidney disease, and four shall be members of the public."

(b) Of the persons first appointed under section 905(a) of the Public Health Service Act to serve as the four additional members of the National Advisory Council on Regional Medical Programs authorized by the amendment made by subsection (a) of this section—

- (1) one shall serve for a term of one year,
- (2) one shall serve for a term of two years,
- (3) one shall serve for a term of three years, and
- (4) one shall serve for a term of four years,

as designated by the Secretary of Health, Education, and Welfare at the time of appointment.

(c) Members of the National Advisory Council on Regional Medical Programs (other than the Surgeon General) in office on the date of enactment of this Act shall continue in office in accordance with the term of office for which they were last appointed to the Council.

Sec. 108. Section 907 of such Act is amended by striking out "or stroke," and inserting in lieu thereof "stroke, or kidney disease,"

Sec. 109. Section 909(a) of such Act is amended by inserting "or contract" after "grant" each place it appears therein.

Sec. 110. (a) Section 910 of such Act is amended to read as follows:

"MULTIPROGRAM SERVICES

"Sec. 910. (a) To facilitate interregional cooperation, and develop improved national capability for delivery of health services, the Secretary is authorized to utilize funds appropriated under this title to make grants to public or nonprofit private agencies or institutions or combinations thereof and to contract for—

"(1) programs, services, and activities of substantial use to two or more regional medical programs;

"(2) development, trial, or demonstration of methods for control of heart disease, cancer, stroke, kidney disease, or other related diseases:

"(3) the collection and study of epidemiologic data related to any of the diseases referred to in paragraph (2);

"(4) development of training specifically related to the prevention, diagnosis, or treatment of any of the diseases referred to in paragraph (2), or to the rehabilitation of persons suffering from any of such diseases; and for continuing programs of such training where shortage of trained personnel would otherwise limit application of knowledge and skills important to the control of any of such diseases; and

"(5) the conduct of cooperative clinical field trials.

"(b) The Secretary is authorized to assist in meeting the costs of special projects for improving or developing new means for the delivery of health services concerned with the diseases with which this title is concerned.

Term of office.

79 Stat. 930.
42 USC 299g.

42 USC 299i.

82 Stat. 1006.
42 USC 299j.

84 STAT. 1301

“(c) The Secretary is authorized to support research, studies, investigations, training, and demonstrations designed to maximize the utilization of manpower in the delivery of health services.”

SEC. 111. (a) The heading to title IX of such Act is amended by striking out “STROKE, AND RELATED DISEASES” and inserting in lieu thereof “STROKE, KIDNEY DISEASE, AND OTHER RELATED DISEASES”.

42 USC 299b-
299g, 299i.

(b) Sections 902(a), 903(a), 903(b), 904(a), 904(b), 905(b), 905(d), 906, 907, and 909(a) of such Act (as amended by the preceding provisions of this Act) are each further amended by striking out “Surgeon General”, each place it appears therein and inserting in lieu thereof “Secretary”.

TITLE II—AMENDMENTS TO TITLE III OF THE PUBLIC HEALTH SERVICE ACT

PART A—RESEARCH AND DEMONSTRATIONS RELATING TO HEALTH FACILITIES AND SERVICES

81 Stat. 534.
42 USC 242b.

SEC. 201. (a) (1) Section 304(a) of the Public Health Service Act is amended—

(A) by inserting “(1)” immediately after “SEC. 304. (a)”;

(B) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively; and

(C) by redesignating clauses (A), (B), and (C) as clauses (i), (ii), and (iii), respectively.

(2) Section 304(b) of such Act is amended—

(A) by striking out “(b)” and inserting in lieu thereof “(2)”;

and

(B) by striking out “this section” each place it appears therein and inserting in lieu thereof “this subsection”.

(3) Section 304(c) of such Act is amended—

(A) by striking out “(c)” and inserting in lieu thereof “(3)”;

and

(B) by striking out “this section” each place it appears therein and inserting in lieu thereof “this subsection”.

(b) Section 304 of such Act is further amended by adding after the provision thereof redesignated as paragraph (3) by subsection (a) (3) (A) of this section the following new subsection:

“Systems Analysis of National Health Care Plans

“(b) (1) (A) The Secretary shall develop, through utilization of the systems analysis method, plans for health care systems designed adequately to meet the health needs of the American people. For purposes of the preceding sentence, the systems analysis method means the analytical method by which various means of obtaining a desired result or goal is associated with the costs and benefits involved.

“(B) The Secretary shall complete the development of the plans referred to in subparagraph (A), within such period as may be necessary to enable him to submit to the Congress not later than September 30, 1971, a report thereon which shall describe each plan so developed in terms of—

Report to
Congress.

“(i) the number of people who would be covered under the plan;

“(ii) the kind and type of health care which would be covered under the plan;

“(iii) the cost involved in carrying out the plan and how such costs would be financed;

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"(iv) the number of additional physicians and other health care personnel and the number and type of health care facilities needed to enable the plan to become fully effective;

"(v) the new and improved methods, if any, of delivery of health care services which would be developed in order to effectuate the plan;

"(vi) the accessibility of the benefits of such plan to various socioeconomic classes of persons;

"(vii) the relative effectiveness and efficiency of such plan as compared to existing means of financing and delivering health care; and

"(viii) the legislative, administrative, and other actions which would be necessary to implement the plan.

"(C) In order to assure that the advice and service of experts in the various fields concerned will be obtained in the plans authorized by this paragraph and that the purposes of this paragraph will fully be carried out—

"(i) the Secretary shall utilize, whenever appropriate, personnel from the various agencies, bureaus, and other departmental subdivisions of the Department of Health, Education, and Welfare;

"(ii) the Secretary is authorized, with the consent of the head of the department or agency involved, to utilize (on a reimbursable basis) the personnel and other resources of other departments and agencies of the Federal Government; and

"(iii) the Secretary is authorized to consult with appropriate State or local public agencies, private organizations, and individuals.

"Cost and Coverage Report on Existing Legislative Proposals

"(2) (A) The Secretary shall, in accordance with this paragraph, conduct a study of each legislative proposal which is introduced in the Senate or the House of Representatives during the Ninety-first Congress, and which undertakes to establish a national health insurance plan or similar plan designed to meet the needs of health insurance or for health services of all or the overwhelming majority of the people of the United States. National health insurance plan legislation, study.

"(B) In conducting such study with respect to each such legislative proposal, the Secretary shall evaluate and analyze such proposal with a view to determining—

"(i) the costs of carrying out the proposal; and

"(ii) the adequacy of the proposal in terms of (I) the portion of the population covered by the proposal, (II) the type health care provided, paid for, or insured against under the proposal, (III) whether, and if so, to what extent, the proposal provides for the development of new and improved methods for the delivery of health care and services.

"(C) Not later than March 31, 1971, the Secretary shall submit to the Congress a report on each legislative proposal which he has been directed to study under this paragraph, together with an analysis and evaluation of such proposal." Report to Congress.

(c) Subsection (d) of section 304 of such Act is hereby redesignated as subsection (c) and is amended to read as follows: Appropriation. 81 Stat. 534. 42 USC 242b.

"(c)(1) There are authorized to be appropriated for payment of grants or under contracts under subsection (a), and for purposes of carrying out the provisions of subsection (b), \$71,000,000 for the fiscal year ending June 30, 1971 (of which not less than \$2,000,000 shall be available only for purposes of carrying out the provisions of subsection

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(b)), \$82,000,000 for the fiscal year ending June 30, 1972, and \$94,000,000 for the fiscal year ending June 30, 1973.

"(2) In addition to the funds authorized to be appropriated under paragraph (1) to carry out the provisions of subsection (b) there are hereby authorized to be appropriated to carry out such provisions for each fiscal year such sums as may be necessary."

Effective date.

(d) The amendments made by subsection (c) of this section shall be effective only with respect to fiscal years ending after June 30, 1970.

Ante, p. 1301.

SEC. 202. That provision of section 304 of the Public Health Service Act redesignated by section 201(a) of this Act as paragraph (3) of subsection (a) is further amended—

(1) by inserting "(A)" immediately after "(3)"; and

(2) by adding after and below such provision the following new subparagraph:

"(B) The amounts otherwise payable to any person under a grant or contract made under this subsection shall be reduced by—

"(i) amounts equal to the fair market value of any equipment or supplies furnished to such person by the Secretary for the purpose of carrying out the project with respect to which such grant or contract is made, and

"(ii) amounts equal to the pay, allowances, traveling expenses, and related personnel expenses attributable to the performance of services by an officer or employee of the Government in connection with such project, if such officer or employee was assigned or detailed by the Secretary to perform such services, but only if such person requested the Secretary to furnish such equipment or supplies, or such services, as the case may be."

SEC. 203. That provision of section 304 of the Public Health Service Act redesignated by section 201(a) of this Act as paragraph (1) of subsection (a) is further amended by—

(1) striking out the period at the end thereof and inserting in lieu thereof ", and"; and

(2) adding after and below the clause thereof redesignated by such section 201(a) as clause (iii) the following new clauses:

"(iv) projects for research, experiments, and demonstrations dealing with the effective combination or coordination of public, private, or combined public-private methods or systems for the delivery of health services at regional, State, or local levels, and

"(v) projects for research and demonstrations in the provision of home health services."

PART B—NATIONAL HEALTH SURVEYS AND STUDIES

70 Stat. 490.
42 USC 242o.

SEC. 210. (a) (1) Clause (1) of subsection (a) of section 305 of the Public Health Service Act is amended by striking out "and" before "(E)", and by inserting after the semicolon at the end of such clause the following: "(F) health care resources; (G) environmental and social health hazards; and (H) family formation, growth, and dissolution:"

(2) Such subsection is further amended by adding at the end thereof the following new sentence: "No information obtained in accordance with this paragraph may be used for any purpose other than the statistical purposes for which it was supplied except pursuant to regulations of the Secretary; nor may any such information be published if the particular establishment or person supplying it is identifiable except with the consent of such establishment or person."

(b) Section 305 is further amended by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively, and by adding after subsection (a) the following new subsection:

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"(b) The Secretary is authorized, directly or by contract, to undertake research, development, demonstration, and evaluation, relating to the design and implementation of a cooperative system for producing comparable and uniform health information and statistics at the Federal, State, and local levels."

(c) The subsection of such section 305 redesignated (by subsection (b) of this section) as subsection (d) is amended to read as follows: Appropriation.

"(d) There are authorized to be appropriated to carry out this section \$15,000,000 for the fiscal year ending June 30, 1971, \$20,000,000 for the fiscal year ending June 30, 1972, and \$25,000,000 for the fiscal year ending June 30, 1973."

PART C—GRANTS TO STATES FOR COMPREHENSIVE STATE HEALTH PLANNING

SEC. 220. (a) (1) The first sentence of section 314(a) (1) of the Public Health Service Act is amended by striking out "June 30, 1970" and inserting in lieu thereof "June 30, 1973". 80 Stat. 1181; 81 Stat. 533. 42 USC 246.

(2) The second sentence of such section 314(a) (1) is amended by striking out "and \$15,000,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof the following: "\$15,000,000 for the fiscal year ending June 30, 1970, \$15,000,000 for the fiscal year ending June 30, 1971, \$17,000,000 for the fiscal year ending June 30, 1972, and \$20,000,000 for the fiscal year ending June 30, 1973".

(b) Section 314(a) (2) (B) of such Act is amended by striking out "State and local agencies" and inserting in lieu thereof "Federal, State, and local agencies (including as an ex officio member, if there is located in such State one or more hospitals or other health care facilities of the Veterans' Administration, the individual whom the Administrator of Veterans' Affairs shall have designated to serve on such council as the representative of the hospitals or other health care facilities of such Administration which are located in such State)".

(c) Section 314(a) (2) (B) of such Act (as amended by subsection (b) of this section) is further amended by inserting "(including representation of the regional medical program or programs included in whole or in part within the State)" immediately after "concerned with health".

(d) Section 314(a) (2) (C) of such Act is amended (1) by inserting "and including home health care" immediately after "private", and (2) by inserting immediately before the semicolon at the end thereof the following: "and including environmental considerations as they relate to public health".

PART D—PROJECT GRANTS FOR AREAWIDE HEALTH PLANNING

SEC. 230. Section 314(b) of the Public Health Service Act is amended— 80 Stat. 1183; Ante, p. 340.

(1) by striking out, in the first sentence thereof, "June 30, 1970" and inserting in lieu thereof "June 30, 1973";

(2) by inserting after the word "services" the second place it appears therein, the phrase "and including the provision of such services through home health care";

(3) by striking out, in the second sentence thereof, "and \$15,000,000 for the fiscal year ending June 30, 1970" and inserting in lieu thereof the following: "\$15,000,000 for the fiscal year ending June 30, 1970, \$20,000,000 for the fiscal year ending June 30, 1971, \$30,000,000 for the fiscal year ending June 30, 1972, and \$40,000,000 for the fiscal year ending June 30, 1973";

(4) by inserting "(1) (A)" immediately after "(b)"; and

(5) by adding after and below the existing language contained therein the following:

“(B) Project grants may be made by the Secretary under subparagraph (A) to the State agency administering or supervising the administration of the State plan approved under subsection (a) with respect to a particular region or area, but only if (i) no application for such a grant with respect to such region or area has been filed by any other agency or organization qualified to receive such a grant, and (ii) such State agency certifies, and the Secretary finds, that ample opportunity has been afforded to qualified agencies and organizations to file application for such a grant with respect to such region or area and that it is improbable that, in the foreseeable future, any agency or organization which is qualified for such a grant will file application therefor.

“(2) (A) In order to be approved under this subsection, an application for a grant under this subsection must contain or be supported by reasonable assurances that there has been or will be established, in or for the area with respect to which such grant is sought, an areawide health planning council. The membership of such council shall include representatives of public, voluntary, and nonprofit private agencies, institutions, and organizations concerned with health (including representatives of the interests of local governments of the regional medical program for such area, and of consumers of health services). A majority of the members of such council shall consist of representatives of consumers of health services.

“(B) In addition, an application for a grant under this subsection must contain or be supported by reasonable assurances that the areawide health planning agency has made provision for assisting health care facilities in its area to develop a program for capital expenditures for replacement, modernization, and expansion which is consistent with an overall State plan which will meet the needs of the State and the area for health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner.”

PART E—PROJECT GRANTS FOR TRAINING, STUDIES AND DEMONSTRATIONS

80 Stat. 1183;
81 Stat. 533.
42 USC 246.

SEC. 240. Section 314(c) of the Public Health Service Act is amended—

(1) by striking out, in the first sentence thereof, “June 30, 1970” and inserting in lieu thereof “June 30, 1973”; and

(2) by striking out, in the second sentence thereof, “and \$7,500,000 for the fiscal year ending June 30, 1970” and inserting in lieu thereof the following: “\$7,500,000 for the fiscal year ending June 30, 1970, \$8,000,000 for the fiscal year ending June 30, 1971, \$10,000,000 for the fiscal year ending June 30, 1972, and \$12,000,000 for the fiscal year ending June 30, 1973”.

PART F—GRANTS FOR COMPREHENSIVE PUBLIC HEALTH SERVICES

SEC. 250. (a) Section 314(d) (1) of the Public Health Service Act is amended by striking out “and \$100,000,000 for the fiscal year ending June 30, 1970” and inserting in lieu thereof “\$100,000,000 for the fiscal year ending June 30, 1970, \$130,000,000 for the fiscal year ending June 30, 1971, \$145,000,000 for the fiscal year ending June 30, 1972, and \$165,000,000 for the fiscal year ending June 30, 1973”.

(b) Section 314(d) (2) (C) of such Act is amended (1) by striking out “and (iii)” and inserting in lieu thereof “(iii)” and (2) by inserting before the semicolon at the end thereof the following: “; and (iv) the plan is compatible with the total health program of the State”.

PART G—PROJECT GRANTS FOR HEALTH SERVICES DEVELOPMENT

SEC. 260. (a) Section 314(e) of the Public Health Service Act is amended by striking out "and" immediately after "June 30, 1969," and by inserting after "June 30, 1970," the following: "\$109,500,000 for the fiscal year ending June 30, 1971, \$135,000,000 for the fiscal year ending June 30, 1972, and \$157,000,000 for the fiscal year ending June 30, 1973." 80 Stat. 1186;
81 Stat. 534.
42 USC 246.

(b) The first sentence of 314(e) is further amended by inserting immediately after "cost" the following: "(including equity requirements and amortization of loans on facilities acquired from the Office of Economic Opportunity or construction in connection with any program or project transferred from the Office of Economic Opportunity)".

(c) (1) The second sentence of such section is amended to read as follows: "Any grant made under this subsection may be made only if the application for such grant has been referred for review and comment to the appropriate areawide health planning agency or agencies (or, if there is no such agency in the area, then to such other public or nonprofit private agency or organization (if any) which performs similar functions) and only if the services assisted under such grant will be provided in accordance with such plans as have been developed pursuant to subsection (a)."

(2) The amendment made by paragraph (1) shall be effective with respect to grants under section 314(e) of the Public Health Service Act which are made after the date of enactment of this Act. Effective date.

PART H—ADMINISTRATION OF GRANTS IN CERTAIN MULTIGRANT PROJECTS

SEC. 270. Part A of title III of the Public Health Service Act is amended by adding at the end thereof the following new section: 58 Stat. 691;
76 Stat. 592.
42 USC 241-
242h.

"Administration of Grants in Certain Multigrant Projects

"Sec. 310A. For the purpose of facilitating the administration of, and expediting the carrying out of the purposes of, the programs established by title IX, and sections 304, 314(a), 314(b), 314(c), 314(d), and 314(e) of this Act in situations in which grants are sought or made under two or more of such programs with respect to a single project, the Secretary is authorized to promulgate regulations— Ante, pp. 1297,
1304.

"(1) under which the administrative functions under such programs with respect to such project will be performed by a single administrative unit which is the administrative unit charged with the administration of any of such programs or is the administrative unit charged with the supervision of two or more of such programs;

"(2) designed to reduce the number of applications, reports, and other materials required under such programs to be submitted with respect to such project, and otherwise to simplify, consolidate, and make uniform (to the extent feasible), the data and information required to be contained in such applications, reports, and other materials; and

"(3) under which inconsistent or duplicative requirements imposed by such programs will be revised and made uniform with respect to such project;

except that nothing in this section shall be construed to authorize the Secretary to waive or suspend, with respect to any such project, any requirement with respect to any of such programs if such requirement is imposed by law or by any regulation required by law."

PART I—ANNUAL REPORT, NATIONAL ADVISORY COUNCIL, ETC.

SEC. 280. Part A of title III of the Public Health Service Act is further amended by adding after section 310A thereof (as added by section 270 of this Act) the following new section:

“Annual Report

Ante, pp. 1297, 1304. “310B. On or before January 1 of each year, the Secretary shall transmit to the Congress a report of the activities carried on under the provisions of title IX of this Act and sections 304, 305, 314(a), 314(b), 314(c), 314(d), and 314(e) of this title together with (1) an evaluation of the effectiveness of such activities in improving the efficiency and effectiveness of the research, planning, and delivery of health services in carrying out the purposes for which such provisions were enacted, (2) a statement of the relationship between Federal financing and financing from other sources of the activities undertaken pursuant to such provisions (including the possibilities for more efficient support of such activities through use of alternate sources of financing after an initial period of support under such provisions), and (3) such recommendations with respect to such provisions as he deems appropriate.”

58 Stat. 691.
42 USC 241.

SEC. 281. Title III of the Public Health Service Act is amended by adding after section 315 thereof the following new section:

“NATIONAL ADVISORY COUNCIL ON COMPREHENSIVE HEALTH PLANNING PROGRAMS

Appointment.
Members.

“SEC. 316. (a) The Secretary shall appoint, without regard to the civil service laws, a National Advisory Council on Comprehensive Health Planning Programs. The Council shall consist of the Secretary or his designee, who shall be the chairman, and sixteen members, not otherwise in the regular full-time employ of the United States, who are (1) leaders in the fields of the fundamental sciences, the medical sciences, or the organization, delivery, and financing of health care, (2) officials in State and areawide health planning agencies, (3) leaders in health care administration, or State or community or other public affairs, who are State or local officials, or (4) representatives of consumers of health care. At least six of the appointed members shall be individuals representing the consumers of health care, one shall be an official of a State health planning agency, one shall be an official of an areawide health planning agency, and one shall be a member of the National Advisory Council on Regional Medical Programs.

Term.

“(b) Each appointed member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, four at the end of the first year, four at the end of the second year, four at the end of the third year, and four at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms.

35 F. R. 6247.
5 USC 5332 note.

“(c) Appointed members of the Council, while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate specified at the time of service for GS-18 of the general schedule,

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including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

80 Stat. 499;
83 Stat. 190.

“(d) The Council shall advise and assist the Secretary in the preparation of general regulations for, and as to policy matters arising with respect to, the administration of section 314 of this title, with increased emphasis on cooperation in the coordination of programs thereunder with the National Advisory Council on Regional Medical Programs, with particular attention to the relationship between the improved organization and delivery of health services and the financing of such services; and shall, in carrying out such functions, review, not less often than annually, the grants made under section 314 to determine their effectiveness in carrying out its purposes.”

Ante, p. 1304.

SEC. 282. Part B of title III of the Public Health Service Act is amended by striking out “Surgeon General” each place it appears and inserting in lieu thereof “Secretary”.

58 Stat. 693;
76 Stat. 1155.
42 USC 243-
247b.

PART J—REGULATION OF VACCINES, BLOOD, BLOOD COMPONENTS, AND ALLERGENIC PRODUCTS

SEC. 291. Section 351 of the Public Health Service Act is amended by inserting, after “antitoxin”, each time such word appears, the following: “vaccine, blood, blood component or derivative, allergenic product,”.

58 Stat. 703.
42 USC 262.

PART K—EXTENSION OF RESEARCH CONTRACT AUTHORITY

SEC. 292. Paragraph (h) of section 301 of the Public Health Service Act is amended by striking out “five succeeding fiscal years” and inserting in lieu thereof “eight succeeding fiscal years”.

79 Stat. 448;
81 Stat. 540.
42 USC 241.

TITLE III—COMMUNITY MENTAL HEALTH CENTERS

SEC. 301. Section 201 of the Community Mental Health Centers Amendments of 1970 is amended by adding at the end thereof the following new subsection:

Ante, p. 56.

“(c) In the case of any community mental health center—

“(1) for which a staffing grant was made under Part B of the Community Mental Health Centers Act for any period which began on or before June 30, 1970; and

79 Stat. 428.
42 USC 2688-
2688d.

“(2) (A) with respect to which the portion of the costs (as described in section 220(a) of such Act) which may be met from funds under a grant under such part B is increased (by reason of the enactment of the preceding subsections of this section) for any period after June 30, 1970; or

“(B) with respect to which the period during which a grant under such part B may be made is extended by reason of the enactment of subsection (a) of this section;

the provisions of section 221(a)(4) of such Act shall be deemed to have been complied with for any period after June 30, 1970, if the Secretary determines that there is satisfactory assurance that the amount of total costs, Federal and non-Federal (as described in section 220(a) of such Act), which will be incurred by such center for staffing purposes for any period after June 30, 1970, will not be less than the amount of such total costs for the period which last commenced on or before June 30, 1970, except that the grantee shall not be required to increase the amount contributed as the non-Federal share in the event the amount of the Federal participation is reduced.”

Ante, p. 57.

TITLE IV—AUTHORITY FOR GROUP PRACTICE

80 Stat. 600;
Ante, p. 869.
5 USC 8901-
8913.

Sec. 401. (a) The Secretary of Health, Education, and Welfare may, in accordance with the provisions of this section, authorize any carrier, which is a party to a contract entered into under chapter 89 of title 5, United States Code (relating to health benefits for Federal employees), or under the Retired Federal Employees Health Benefits Act, or which participates in the carrying out of any such contract, to issue in any State contracts entitling any person as a beneficiary to receive comprehensive medical services (as defined in subsection (b)) from a group practice unit or organization (as defined in subsection (c)) with which such carrier has contracted or otherwise arranged for the provision of such services.

Definitions.

(b) As used in this section, the term "comprehensive medical services" means comprehensive preventive, diagnostic, and therapeutic medical services (as defined in regulations of the Secretary), furnished on a prepaid basis; and may include, at the option of a carrier, such other health services including mental health services, and equipment and supplies, furnished on such terms and conditions with respect to copayment and other matters, as may be authorized in regulations of the Secretary.

(c) As used in this section:

(1) The term "group practice unit or organization" means a non-profit agency, co-operative, or other organization undertaking to provide, through direct employment of, or other arrangements with the members of a medical group, comprehensive medical services (or such services and other health services) to members, subscribers, or other persons protected under contracts of carriers.

(2) The term "medical group" means a partnership or other association or group of persons who are licensed to practice medicine in a State (or of such persons and persons licensed to practice dentistry or optometry) who (A) as their principal professional activity and as a group responsibility, engage in the coordinated practice of their profession primarily in one or more group practice facilities, (B) pool their income from practice as members of the group and distribute it among themselves according to a prearranged plan, or enter into an employment arrangement with a group practice unit or organization for the provision of their services, (C) share common overhead expenses (if and to the extent such expenses are paid by members of the group), medical and other records, and substantial portions of the equipment and professional, technical, and administrative staff, and (D) include within the group at least such professional personnel, and make available at least such health services, as may be specified in regulations of the Secretary.

Contracts,
charges, regu-
lation by
States.

(d) Nothing in this section shall preclude any State or State agency from regulating the amounts charged for contracts issued pursuant to subsection (a) or the manner of soliciting and issuing such contracts, or from regulating any carrier issuing such contracts in any manner not inconsistent with the provisions of this section.

TITLE V—STUDY RELATING TO ENVIRONMENTAL POLLUTION

Sec. 501. (a) The Congress finds that there is general agreement that air, water, and other common environmental pollution may be hazardous to the health of individuals resident in the United States, but that despite the existence of various research papers and other technical reports on the health hazards of such pollution, there is no authoritative source of information about (1) the nature and gravity

of these hazards, (2) the availability of medical and other assistance to persons affected by such pollution, especially when such pollution reaches emergency levels, and (3) the measures, other than those relating solely to abatement of the pollution, that may be taken to avoid or reduce the effects of such pollution on the health of individuals.

(b) The President shall immediately commence (1) a study of the nature and gravity of the hazards to human health and safety created by air, water, and other common environmental pollution, (2) a survey of the medical and other assistance available to persons affected by such pollution, especially when such pollution reaches emergency levels, and (3) a survey of the measures, other than those relating solely to abatement of the pollution, that may be taken to avoid or reduce the effects of such pollution on the health of individuals.

Presidential study.

(c) The President shall, within nine months of the enactment of this Act, transmit to the Congress a report of the study and surveys required by subsection (b) of this section, including (1) his conclusions regarding the nature and gravity of the hazards to human health and safety created by environmental pollution, (2) his evaluation of the medical and other assistance available to persons affected by such pollution, especially when such pollution reaches emergency levels, (3) his assessment of the measures, other than those relating solely to abatement of the pollution, that may be taken to avoid or reduce the effects of such pollution on the health of individuals, and (4) such legislative or other recommendations as he may deem appropriate.

Report to Congress.

(d) The President shall, within one year of his transmittal to the Congress of the report required by subsection (c) of this section, and annually thereafter, supplement that report with such new data, evaluations, or recommendations as he may deem appropriate.

Report supplements.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

Appropriation.

TITLE VI—MISCELLANEOUS

NATIONAL ADVISORY COUNCIL

SEC. 601. (a) (1) Sections 217(b), 432(a), 443(b), and 703(c) of the Public Health Service Act are amended by inserting "or committees" after "councils" wherever it appears therein.

42 USC 218, 289b, 289f, 292b.

(2) Sections 431, 432(b), 433, 443, and 452 of such Act are amended by inserting "or committee" after "council" wherever it appears therein.

42 USC 289a-289c, 289j.

(3) Subsections (b) and (c) of section 222 of such Act are amended by inserting "council or" before "committee" wherever it appears therein.

76 Stat. 1073. 42 USC 217a.

(4) Such section is further amended by inserting in the heading thereof "COUNCILS OR" before "COMMITTEES".

(b) (1) Subsection (c) of section 208 of the Public Health Service Act is amended to read:

Compensation. 64 Stat. 447. 42 USC 210.

"(c) Members of the National Advisory Health Council and members of other national advisory or review councils or committees established under this Act, including members of the Technical Electronic Product Radiation Safety Standards Committee and the Board of Regents of the National Library of Medicine, but excluding ex officio members, while attending conferences or meetings of their respective councils or committees or while otherwise serving at the request of the Secretary, shall be entitled to receive compensation at rates to be fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate specified at the time of such service for grade GS-18 of the General Schedule, including traveltime; and while away from their homes or regular places of business they may be allowed travel ex-

35 F. R. 6247. 5 USC 5332 note.

84 STAT. 1311

80 Stat. 499;
83 Stat. 190.42 USC 242d,
42 USC 242e.

42 USC 263f.

Ante, pp.66,344.

42 USC 292b.

42 USC 293e,

295f-4, 298,

299e.

82 Stat. 1179.

79 Stat. 929.

76 Stat. 1073.

42 USC 217a.

80 Stat. 443,
467.

5 USC 5101,

533l.

35 F. R. 6247.

68 Stat. 511.

21 USC 346a.

74 Stat. 399.

21 USC 376.

penses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently."

(2) The second sentence of subsection (d) of section 306, the second sentence of subsection (d) of section 307, the first sentence of paragraph (2) of subsection (f) of section 358, subsection (d) of section 373, subsection (e) of section 641, subsection (d) of section 703, subsection (d) of section 725, subsection (d) of section 774, subsection (c) of section 841, and subsection (c) of section 905 of such Act are deleted.

(3) Paragraph (2) of subsection (f) of section 358 is further amended by striking out "under this subsection" in the second sentence thereof and by inserting in lieu thereof "to members of the Committee who are not officers or employees of the United States pursuant to subsection (c) of section 208 of this Act".

(4) Subsection (d) of section 905 of such Act is redesignated as subsection (c).

(c)(1) Subsection (a) of section 222 of such Act is amended to read:

"(a) The Secretary may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, from time to time, appoint such advisory councils or committees (in addition to those authorized to be established under other provisions of law), for such periods of time, as he deems desirable with such period commencing on a date specified by the Secretary for the purpose of advising him in connection with any of his functions."

(2) Subsection (c) of such section is amended by inserting "or programs" after "projects".

(d)(1) Subsection (g) of section 408 of the Food, Drug, and Cosmetic Act is amended by striking out "as compensation for their services a reasonable per diem, for time actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and subsistence expenses while so serving away from their places of residence." after "shall receive" and by inserting in lieu thereof "compensation and travel expenses in accordance with subsection (b)(5)(D) of section 706."

(2) Subparagraph (D) of paragraph (5) of subsection (b) of section 706 of such Act is amended by striking out the third sentence thereof and by inserting in lieu thereof the following new sentence: "Members of any advisory committee established under this Act, while attending conferences or meetings of their committees or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at rates to be fixed by the Secretary but at rates not exceeding the daily equivalent of the rate specified at the time of such service for grade GS-18 of the General Schedule, including traveltime; and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United

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States Code for persons in the Government service employed 80 Stat. 499;
intermittently." 83 Stat. 190.

TRAINING AUTHORITY OF INSTITUTE OF GENERAL MEDICAL SCIENCES

SEC. 602. Section 442 of the Public Health Service Act is amended 76 Stat. 1072.
by striking out "research" before "training". 42 USC 289e.

Approved October 30, 1970.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-1297 (Comm. on Interstate and Foreign
Commerce) and No. 91-1590 (Comm. of Conference).
SENATE REPORT No. 91-1090 accompanying S. 3355 (Comm. on Labor
and Public Welfare).
CONGRESSIONAL RECORD, Vol. 116 (1970):
Aug. 12, considered and passed House.
Sept. 9, considered and passed Senate, amended, in lieu of
S. 3355.
Oct. 13, House agreed to conference report.
Oct. 14, Senate agreed to conference report.

APPENDIX B

Text of Title I

Public Law 90-351
90th Congress, H. R. 5037
June 19, 1968

An Act

To assist State and local governments in reducing the incidence of crime, to increase the effectiveness, fairness, and coordination of law enforcement and criminal justice systems at all levels of government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Omnibus Crime Control and Safe Streets Act of 1968".

Omnibus Crime
Control and
Safe Streets
Act of 1968.

TITLE I—LAW ENFORCEMENT ASSISTANCE**DECLARATIONS AND PURPOSE**

Congress finds that the high incidence of crime in the United States threatens the peace, security, and general welfare of the Nation and its citizens. To prevent crime and to insure the greater safety of the people, law enforcement efforts must be better coordinated, intensified, and made more effective at all levels of government.

Congress finds further that crime is essentially a local problem that must be dealt with by State and local governments if it is to be controlled effectively.

82 STAT. 197
82 STAT. 198

It is therefore the declared policy of the Congress to assist State and local governments in strengthening and improving law enforcement at every level by national assistance. It is the purpose of this title to (1) encourage States and units of general local government to prepare and adopt comprehensive plans based upon their evaluation of State and local problems of law enforcement; (2) authorize grants to States and units of local government in order to improve and strengthen law enforcement; and (3) encourage research and development directed toward the improvement of law enforcement and the development of new methods for the prevention and reduction of crime and the detection and apprehension of criminals.

PART A—LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

SEC. 101. (a) There is hereby established within the Department of Justice, under the general authority of the Attorney General, a Law Enforcement Assistance Administration (hereafter referred to in this title as "Administration").

(b) The Administration shall be composed of an Administrator of Law Enforcement Assistance and two Associate Administrators of Law Enforcement Assistance, who shall be appointed by the President, by and with the advice and consent of the Senate. No more than two members of the Administration shall be the same political party, and members shall be appointed with due regard to their fitness, knowledge, and experience to perform the functions, powers, and duties vested in the Administration by this title.

(c) It shall be the duty of the Administration to exercise all of the functions, powers, and duties created and established by this title, except as otherwise provided.

PART B—PLANNING GRANTS

SEC. 201. It is the purpose of this part to encourage States and units of general local government to prepare and adopt comprehensive law enforcement plans based on their evaluation of State and local problems of law enforcement.

State planning
agencies.

SEC. 202. The Administration shall make grants to the States for the establishment and operation of State law enforcement planning agencies (hereinafter referred to in this title as "State planning agencies") for the preparation, development, and revision of the State plans required under section 303 of this title. Any State may make application to the Administration for such grants within six months of the date of enactment of this Act.

82 STAT. 198
82 STAT. 199

SEC. 203. (a) A grant made under this part to a State shall be utilized by the State to establish and maintain a State planning agency. Such agency shall be created or designated by the chief executive of the State and shall be subject to his jurisdiction. The State planning agency shall be representative of law enforcement agencies of the State and of the units of general local government within the State.

Functions.

(b) The State planning agency shall—

(1) develop, in accordance with part C, a comprehensive state-wide plan for the improvement of law enforcement throughout the State;

(2) define, develop, and correlate programs and projects for the State and the units of general local government in the State or combinations of States or units for improvement in law enforcement; and

(3) establish priorities for the improvement in law enforcement throughout the State.

(c) The State planning agency shall make such arrangements as such agency deems necessary to provide that at least 40 per centum of all Federal funds granted to such agency under this part for any fiscal year will be available to units of general local government or combinations of such units to enable such units and combinations of such units to participate in the formulation of the comprehensive State plan required under this part. Any portion of such 40 per centum in any State for any fiscal year not required for the purpose set forth in the preceding sentence shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development by it of the State plan required under this part.

SEC. 204. A Federal grant authorized under this part shall not exceed 90 per centum of the expenses of the establishment and operation of the State planning agency, including the preparation, development, and revision of the plans required by part C. Where Federal grants under this part are made directly to units of general local government as authorized by section 305, the grant shall not exceed 90 per centum of the expenses of local planning, including the preparation, development, and revision of plans required by part C.

Allocation of
funds.

SEC. 205. Funds appropriated to make grants under this part for a fiscal year shall be allocated by the Administration among the States for use therein by the State planning agency or units of general local government, as the case may be. The Administration shall allocate \$100,000 to each of the States; and it shall then allocate the remainder of such funds available among the States according to their relative populations.

PART C—GRANTS FOR LAW ENFORCEMENT PURPOSES

SEC. 301. (a) It is the purpose of this part to encourage States and units of general local government to carry out programs and projects to improve and strengthen law enforcement.

(b) The Administration is authorized to make grants to States having comprehensive State plans approved by it under this part, for—

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(1) Public protection, including the development, demonstration, evaluation, implementation, and purchase of methods, devices, facilities, and equipment designed to improve and strengthen law enforcement and reduce crime in public and private places.

(2) The recruiting of law enforcement personnel and the training of personnel in law enforcement.

(3) Public education relating to crime prevention and encouraging respect for law and order, including education programs in schools and programs to improve public understanding of and cooperation with law enforcement agencies.

(4) Construction of buildings or other physical facilities which would fulfill or implement the purposes of this section.

(5) The organization, education, and training of special law enforcement units to combat organized crime, including the establishment and development of State organized crime prevention councils, the recruiting and training of special investigative and prosecuting personnel, and the development of systems for collecting, storing, and disseminating information relating to the control of organized crime.

(6) The organization, education, and training of regular law enforcement officers, special law enforcement units, and law enforcement reserve units for the prevention, detection, and control of riots and other violent civil disorders, including the acquisition of riot control equipment.

(7) The recruiting, organization, training and education of community service officers to serve with and assist local and State law enforcement agencies in the discharge of their duties through such activities as recruiting; improvement of police-community relations and grievance resolution mechanisms; community patrol activities; encouragement of neighborhood participation in crime prevention and public safety efforts; and other activities designed to improve police capabilities, public safety and the objectives of this section: *Provided*. That in no case shall a grant be made under this subcategory without the approval of the local government or local law enforcement agency.

(c) The amount of any Federal grant made under paragraph (5) or (6) of subsection (b) of this section may be up to 75 per centum of the cost of the program or project specified in the application for such grant. The amount of any grant made under paragraph (4) of subsection (b) of this section may be up to 50 per centum of the cost of the program or project specified in the application for such grant. The amount of any other grant made under this part may be up to 60 per centum of the cost of the program or project specified in the application for such grant: *Provided*. That no part of any grant for the purpose of construction of buildings or other physical facilities shall be used for land acquisition.

Federal grants,
amounts.

Prohibition.

(d) Not more than one-third of any grant made under this part may be expended for the compensation of personnel. The amount of any such grant expended for the compensation of personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs.

Sec. 302. Any State desiring to participate in the grant program under this part shall establish a State planning agency as described in part B of this title and shall within six months after approval of a planning grant under part B submit to the Administration through

Comprehensive
State plans,
requirements.

such State planning agency a comprehensive State plan formulated pursuant to part B of this title.

Sec. 303. The Administration shall make grants under this title to a State planning agency if such agency has on file with the Administration an approved comprehensive State plan (not more than one year in age) which conforms with the purposes and requirements of this title. Each such plan shall—

(1) provide for the administration of such grants by the State planning agency;

(2) provide that at least 75 per centum of all Federal funds granted to the State planning agency under this part for any fiscal year will be available to units of general local government or combinations of such units for the development and implementation of programs and projects for the improvement of law enforcement;

(3) adequately take into account the needs and requests of the units of general local government in the State and encourage local initiative in the development of programs and projects for improvements in law enforcement, and provide for an appropriately balanced allocation of funds between the State and the units of general local government in the State and among such units;

(4) incorporate innovations and advanced techniques and contain a comprehensive outline of priorities for the improvement and coordination of all aspects of law enforcement dealt with in the plan, including descriptions of: (A) general needs and problems; (B) existing systems; (C) available resources; (D) organizational systems and administrative machinery for implementing the plan; (E) the direction, scope, and general types of improvements to be made in the future; and (F) to the extent appropriate, the relationship of the plan to other relevant State or local law enforcement plans and systems;

(5) provide for effective utilization of existing facilities and permit and encourage units of general local government to combine or provide for cooperative arrangements with respect to services, facilities, and equipment;

(6) provide for research and development;

(7) provide for appropriate review of procedures of actions taken by the State planning agency disapproving an application for which funds are available or terminating or refusing to continue financial assistance to units of general local government or combinations of such units;

(8) demonstrate the willingness of the State and units of general local government to assume the costs of improvements funded under this part after a reasonable period of Federal assistance;

(9) demonstrate the willingness of the State to contribute technical assistance or services for programs and projects contemplated by the statewide comprehensive plan and the programs and projects contemplated by units of general local government;

(10) set forth policies and procedures designed to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, but to increase the amounts of such funds that would in the absence of such Federal funds be made available for law enforcement;

(11) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting of funds received under this part; and

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(12) provide for the submission of such reports in such form and containing such information as the Administration may reasonably require.

Any portion of the 75 per centum to be made available pursuant to paragraph (2) of this section in any State in any fiscal year not required for the purposes set forth in such paragraph (2) shall be available for expenditure by such State agency from time to time on dates during such year as the Administration may fix, for the development and implementation of programs and projects for the improvement of law enforcement and in conformity with the State plan.

SEC. 304. State planning agencies shall receive applications for financial assistance from units of general local government and combinations of such units. When a State planning agency determines that such an application is in accordance with the purposes stated in section 301 and is in conformance with any existing statewide comprehensive law enforcement plan, the State planning agency is authorized to disburse funds to the applicant.

SEC. 305. Where a State fails to make application for a grant to establish a State planning agency pursuant to part B of this title within six months after the date of enactment of this Act, or where a State fails to file a comprehensive plan pursuant to part B within six months after approval of a planning grant to establish a State planning agency, the Administration may make grants under part B and part C of this title to units of general local government or combinations of such units: *Provided, however,* That any such unit or combination of such units must certify that it has submitted a copy of its application to the chief executive of the State in which such unit or combination of such units is located. The chief executive shall be given not more than sixty days from date of receipt of the application to submit to the Administration in writing an evaluation of the project set forth in the application. Such evaluation shall include comments on the relationship of the application to other applications then pending, and to existing or proposed plans in the State for the development of new approaches to and improvements in law enforcement. If an application is submitted by a combination of units of general local government which is located in more than one State, such application must be submitted to the chief executive of each State in which the combination of such units is located. No grant under this section to a local unit of general government shall be for an amount in excess of 60 per centum of the cost of the project or program with respect to which it was made.

SEC. 306. Funds appropriated to make grants under this part for a fiscal year shall be allocated by the Administration among the States for use therein by the State planning agency or units of general local government, as the case may be. Of such funds, 85 per centum shall be allocated among the States according to their respective populations and 15 per centum thereof shall be allocated as the Administration may determine, plus such additional amounts as may be made available by virtue of the application of the provisions of section 509 to the grant to any State.

SEC. 307. (a) In making grants under this part, the Administration and each State planning agency, as the case may be, shall give special emphasis, where appropriate or feasible, to programs and projects dealing with the prevention, detection, and control of organized crime and of riots and other violent civil disorders.

(b) Notwithstanding the provisions of section 303 of this part, until August 31, 1968, the Administration is authorized to make grants for programs and projects dealing with the prevention, detection, and

Grants to local government units.

Project evaluation by State chief executive.

Amount.

Allocation of funds.

Priority programs.

control of riots and other violent civil disorders on the basis of applications describing in detail the programs, projects, and costs of the items for which the grants will be used, and the relationship of the programs and projects to the applicant's general program for the improvement of law enforcement.

PART D—TRAINING, EDUCATION, RESEARCH, DEMONSTRATION, AND
SPECIAL GRANTS

SEC. 401. It is the purpose of this part to provide for and encourage training, education, research, and development for the purpose of improving law enforcement and developing new methods for the prevention and reduction of crime, and the detection and apprehension of criminals.

National Insti-
tute of Law En-
forcement and
Criminal Jus-
tice.
Establishment.
Functions.

SEC. 402. (a) There is established within the Department of Justice a National Institute of Law Enforcement and Criminal Justice (hereafter referred to in this part as "Institute"). The Institute shall be under the general authority of the Administration. It shall be the purpose of the Institute to encourage research and development to improve and strengthen law enforcement.

(b) The Institute is authorized—

(1) to make grants to, or enter into contracts with, public agencies, institutions of higher education, or private organizations to conduct research, demonstrations, or special projects pertaining to the purposes described in this title, including the development of new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement;

(2) to make continuing studies and undertake programs of research to develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement, including, but not limited to, the effectiveness of projects or programs carried out under this title;

(3) to carry out programs of behavioral research designed to provide more accurate information on the causes of crime and the effectiveness of various means of preventing crime, and to evaluate the success of correctional procedures;

(4) to make recommendations for action which can be taken by Federal, State, and local governments and by private persons and organizations to improve and strengthen law enforcement;

(5) to carry out programs of instructional assistance consisting of research fellowships for the programs provided under this section, and special workshops for the presentation and dissemination of information resulting from research, demonstrations, and special projects authorized by this title.

(6) to carry out a program of collection and dissemination of information obtained by the Institute or other Federal agencies, public agencies, institutions of higher education, or private organizations engaged in projects under this title, including information relating to new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement; and

(7) to establish a research center to carry out the programs described in this section.

Grants, amount.

Conditions.

SEC. 403. A grant authorized under this part may be up to 100 per centum of the total cost of each project for which such grant is made. The Administration shall require, whenever feasible, as a condition of approval of a grant under this part, that the recipient contribute money, facilities, or services to carry out the purpose for which the grant is sought.

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82 STAT. 204

SEC. 404. (a) The Director of the Federal Bureau of Investigation is authorized to—

F.B.I. law enforcement training programs.

(1) establish and conduct training programs at the Federal Bureau of Investigation National Academy at Quantico, Virginia, to provide, at the request of a State or unit of local government, training for State and local law enforcement personnel;

(2) develop new or improved approaches, techniques, systems, equipment, and devices to improve and strengthen law enforcement; and

(3) assist in conducting, at the request of a State or unit of local government, local and regional training programs for the training of State and local law enforcement personnel. Such training shall be provided only for persons actually employed as State police or highway patrol, police of a unit of local government, sheriffs and their deputies, and such other persons as the State or unit may nominate for police training while such persons are actually employed as officers of such State or unit.

(b) In the exercise of the functions, powers, and duties established under this section the Director of the Federal Bureau of Investigation shall be under the general authority of the Attorney General.

SEC. 405. (a) Subject to the provisions of this section, the Law Enforcement Assistance Act of 1965 (79 Stat. 828) is repealed: *Provided, That—*

Repeal.
13 USC prec.
3001 note.

(1) The Administration, or the Attorney General until such time as the members of the Administration are appointed, is authorized to obligate funds for the continuation of projects approved under the Law Enforcement Assistance Act of 1965 prior to the date of enactment of this Act to the extent that such approval provided for continuation.

Continuation of projects.

(2) Any funds obligated under subsection (1) of this section and all activities necessary or appropriate for the review under subsection (3) of this section may be carried out with funds previously appropriated and funds appropriated pursuant to this title.

(3) Immediately upon establishment of the Administration, it shall be its duty to study, review, and evaluate projects and programs funded under the Law Enforcement Assistance Act of 1965. Continuation of projects and programs under subsections (1) and (2) of this section shall be in the discretion of the Administration.

SEC. 406. (a) Pursuant to the provisions of subsections (b) and (c) of this section, the Administration is authorized, after appropriate consultation with the Commissioner of Education, to carry out programs of academic educational assistance to improve and strengthen law enforcement.

Academic educational assistance.

(b) The Administration is authorized to enter into contracts to make, and make, payments to institutions of higher education for loans, not exceeding \$1,800 per academic year to any person, to persons enrolled on a full-time basis in undergraduate or graduate programs approved by the Administration and leading to degrees or certificates in areas directly related to law enforcement or preparing for employment in law enforcement, with special consideration to police or correctional personnel of States or units of general local government on academic leave to earn such degrees or certificates. Loans to persons assisted under this subsection shall be made on such terms and conditions as the Administration and the institution offering such programs may determine, except that the total amount of any such loan, plus interest, shall be canceled for service as a full-time officer or employee of a law enforcement agency at the rate of 25 per centum of the total

Loans.

82 STAT. 205

amount of such loans plus interest for each complete year of such service or its equivalent of such service, as determined under regulations of the Administration.

Tuition and fees. (c) The Administration is authorized to enter into contracts to make, and make, payments to institutions of higher education for tuition and fees, not exceeding \$200 per academic quarter or \$300 per semester for any person, for officers of any publicly funded law enforcement agency enrolled on a full-time or part-time basis in courses included in an undergraduate or graduate program which is approved by the Administration and which leads to a degree or certificate in an area related to law enforcement or an area suitable for persons employed in law enforcement. Assistance under this subsection may be granted only on behalf of an applicant who enters into an agreement to remain in the service of the law enforcement agency employing such applicant for a period of two years following completion of any course for which payments are provided under this subsection, and in the event such service is not completed, to repay the full amount of such payments on such terms and in such manner as the Administration may prescribe.

Service agreements.

PART E—ADMINISTRATIVE PROVISIONS

SEC. 501. The Administration is authorized, after appropriate consultation with representatives of States and units of general local government, to establish such rules, regulations, and procedures as are necessary to the exercise of its functions, and are consistent with the stated purpose of this title.

SEC. 502. The Administration may delegate to any officer or official of the Administration, or, with the approval of the Attorney General, to any officer of the Department of Justice such functions as it deems appropriate.

SEC. 503. The functions, powers, and duties specified in this title to be carried out by the Administration shall not be transferred elsewhere in the Department of Justice unless specifically hereafter authorized by the Congress.

Subpena power, etc. SEC. 504. In carrying out its functions, the Administration, or upon authorization of the Administration, any member thereof or any hearing examiner assigned to or employed by the Administration, shall have the power to hold hearings, sign and issue subpoenas administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate.

80 Stat. 461. SEC. 505. Section 5315 of title 5, United States Code, is amended by adding at the end thereof—

“(90) Administrator of Law Enforcement Assistance.”

SEC. 506. Section 5316 of title 5, United States Code, is amended by adding at the end thereof—

“(126) Associate Administrator of Law Enforcement Assistance.”

Officers and employees. SEC. 507. Subject to the civil service and classification laws, the Administration is authorized to select, appoint, employ, and fix compensation of such officers and employees, including hearing examiners, as shall be necessary to carry out its powers and duties under this title.

SEC. 508. The Administration is authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of the Department of Justice and of other civilian or military agencies and instrumentalities of the Federal Government, and to cooperate with the Department of Justice and such other agencies and instrumentalities in the establishment and

use of services, equipment, personnel, and facilities of the Administration. The Administration is further authorized to confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other local agencies.

SEC. 509. Whenever the Administration, after reasonable notice and opportunity for hearing to an applicant or a grantee under this title, finds that, with respect to any payments made or to be made under this title, there is a substantial failure to comply with—

Noncompliance,
Withholding of
payments.

- (a) the provisions of this title;
- (b) regulations promulgated by the Administration under this title; or
- (c) a plan or application submitted in accordance with the provisions of this title;

the Administration shall notify such applicant or grantee that further payments shall not be made (or in its discretion that further payments shall not be made for activities in which there is such failure), until there is no longer such failure.

SEC. 510. (a) In carrying out the functions vested by this title in the Administration, the determination, findings, and conclusions of the Administration shall be final and conclusive upon all applicants, except as hereafter provided.

(b) If the application has been rejected or an applicant has been denied a grant or has had a grant, or any portion of a grant, discontinued, or has been given a grant in a lesser amount than such applicant believes appropriate under the provisions of this title, the Administration shall notify the applicant or grantee of its action and set forth the reason for the action taken. Whenever an applicant or grantee requests a hearing on action taken by the Administration on an application or a grant the Administration, or any authorized officer thereof, is authorized and directed to hold such hearings or investigations at such times and places as the Administration deems necessary, following appropriate and adequate notice to such applicant; and the findings of fact and determinations made by the Administration with respect thereto shall be final and conclusive, except as otherwise provided herein.

Notice and
hearing.

(c) If such applicant is still dissatisfied with the findings and determinations of the Administration, following the notice and hearing provided for in subsection (b) of this section, a request may be made for rehearing, under such regulations and procedures as the Administration may establish, and such applicant shall be afforded an opportunity to present such additional information as may be deemed appropriate and pertinent to the matter involved. The findings and determinations of the Administration, following such rehearing, shall be final and conclusive upon all parties concerned, except as hereafter provided.

Request for
rehearing.

SEC. 511. (a) If any applicant or grantee is dissatisfied with the Administration's final action with respect to the approval of its application or plan submitted under this title, or any applicant or grantee is dissatisfied with the Administration's final action under section 509 or section 510, such applicant or grantee may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such applicant or grantee is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administration. The Administration shall thereupon file in the court the record of the proceedings on which the action of the Administration was based, as provided in section 2112 of title 28, United States Code.

Review action.

72 Stat. 941;
80 Stat. 1323.

82 STAT. 207

(b) The determinations and the findings of fact by the Administration, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Administration to take further evidence. The Administration may thereupon make new or modified findings of fact and may modify its previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact or determinations shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Administration or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

62 Stat. 928.
Duration of
programs.

SEC. 512. Unless otherwise specified in this title, the Administration shall carry out the programs provided for in this title during the fiscal year ending June 30, 1968, and the five succeeding fiscal years.

Statistics,
etc., from
other Federal
departments.

SEC. 513. To insure that all Federal assistance to State and local programs under this title is carried out in a coordinated manner, the Administration is authorized to request any Federal department or agency to supply such statistics, data, program reports, and other material as the Administration deems necessary to carry out its functions under this title. Each such department or agency is authorized to cooperate with the Administration and, to the extent permitted by law, to furnish such materials to the Administration. Any Federal department or agency engaged in administering programs related to this title shall, to the maximum extent practicable, consult with and seek advice from the Administration to insure fully coordinated efforts, and the Administration shall undertake to coordinate such efforts.

SEC. 514. The Administration may arrange with and reimburse the heads of other Federal departments and agencies for the performance of any of its functions under this title.

SEC. 515. The Administration is authorized—

(a) to conduct evaluation studies of the programs and activities assisted under this title;

(b) to collect, evaluate, publish, and disseminate statistics and other information on the condition and progress of law enforcement in the several States; and

(c) to cooperate with and render technical assistance to States, units of general local government, combinations of such States or units, or other public or private agencies, organizations, or institutions in matters relating to law enforcement.

SEC. 516. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administration.

Restriction.

(b) Not more than 12 per centum of the sums appropriated for any fiscal year to carry out the provisions of this title may be used within any one State except that this limitation shall not apply to grants made pursuant to part D.

Advisory committees,
appointment and
compensation.

SEC. 517. The Administration is authorized to appoint such technical or other advisory committees to advise the Administration with respect to the administration of this title as it deems necessary. Members of such committees not otherwise in the employ of the United States, while attending meetings of the committees, shall be entitled to receive compensation at a rate to be fixed by the Administration but not exceeding \$75 per diem, and while away from home or regular place of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

80 Stat. 499.

SEC. 518. (a) Nothing contained in this title or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over any police force or any other law enforcement agency of any State or any political subdivision thereof.

(b) Notwithstanding any other provision of law nothing contained in this title shall be construed to authorize the Administration (1) to require, or condition the availability or amount of a grant upon, the adoption by an applicant or grantee under this title of a percentage ratio, quota system, or other program to achieve racial balance or to eliminate racial imbalance in any law enforcement agency, or (2) to deny or discontinue a grant because of the refusal of an applicant or grantee under this title to adopt such a ratio, system, or other program.

SEC. 519. On or before August 31, 1968, and each year thereafter, the Administration shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

Report to
President and
Congress.

SEC. 520. For the purpose of carrying out this title, there is authorized to be appropriated the sums of \$100,111,000 for the fiscal years ending June 30, 1968, and June 30, 1969, \$300,000,000 for the fiscal year ending June 30, 1970, and for succeeding fiscal years such sums as the Congress might authorize: *Provided, however,* That of the amount appropriated for the fiscal years ending June 30, 1968, and June 30, 1969—

Appropriations.

- (a) the sum of \$25,000,000 shall be for the purposes of part B;
- (b) the sum of \$50,000,000 shall be for the purposes of part C, of which amount—

- (1) not more than \$2,500,000 shall be for the purposes of section 302(b)(3);

- (2) not more than \$15,000,000 shall be for the purposes of section 302(b)(5), of which not more than \$1,000,000 may be used within any one State;

- (3) not more than \$15,000,000 shall be for the purposes of section 302(b)(6); and

- (4) not more than \$10,000,000 shall be for the purposes of correction, probation, and parole; and

- (c) the sum of \$25,111,000 shall be for the purposes of part D, of which \$5,111,000 shall be for the purposes of section 404, and not more than \$10,000,000 shall be for the purposes of section 406.

SEC. 521. (a) Each recipient of assistance under this Act shall keep such records as the Administration shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

Recordkeeping
requirements.

(b) The Administration and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this title.

SEC. 522. Section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting "law enforcement facilities," immediately after "transportation facilities,".

80 Stat. 1262.
42 USC 3334.

PART F—DEFINITIONS

SEC. 601. As used in this title—

(a) "Law enforcement" means all activities pertaining to crime prevention or reduction and enforcement of the criminal law.

(b) "Organized crime" means the unlawful activities of the members of a highly organized, disciplined association engaged in supplying illegal goods and services, including but not limited to gambling, prostitution, loan sharking, narcotics, labor racketeering, and other unlawful activities of members of such organizations.

(c) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

(d) "Unit of general local government" means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, or an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior.

(e) "Combination" as applied to States or units of general local government means any grouping or joining together of such States or units for the purpose of preparing, developing, or implementing a law enforcement plan.

(f) "Construction" means the erection, acquisition, expansion, or repair (but not including minor remodeling or minor repairs) of new or existing buildings or other physical facilities, and the acquisition or installation of initial equipment therefor.

(g) "State organized crime prevention council" means a council composed of not more than seven persons established pursuant to State law or established by the chief executive of the State for the purpose of this title, or an existing agency so designated, which council shall be broadly representative of law enforcement officials within such State and whose members by virtue of their training or experience shall be knowledgeable in the prevention and control of organized crime.

(h) "Metropolitan area" means a standard metropolitan statistical area as established by the Bureau of the Budget, subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

(i) "Public agency" means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing.

(j) "Institution of higher education" means any such institution as defined by section 801(a) of the Higher Education Act of 1965 (79 Stat. 1269; 20 U.S.C. 1141(a)), subject, however, to such modifications and extensions as the Administration may determine to be appropriate.

(k) "Community service officer" means any citizen with the capacity, motivation, integrity, and stability to assist in or perform police work but who may not meet ordinary standards for employment as a regular police officer selected from the immediate locality of the police department of which he is to be a part, and meeting such other qualifications promulgated in regulations pursuant to section 501 as the administration may determine to be appropriate to further the purposes of section 301(b)(7) and this Act.

TITLE XI—GENERAL PROVISIONS

Separability.

SEC. 1601. If the provisions of any part of this Act or any amendments made thereby or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

Approved June 19, 1968, 7:14 p. m.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 488 (Comm. on the Judiciary).

SENATE REPORT No. 1097 accompanying S. 917 (Comm. on the Judiciary).

CONGRESSIONAL RECORD:

Vol. 113 (1967): Aug. 2, 3, 8, considered and passed House.

Vol. 114 (1968): May 1-3, 6-10, 13-17, 20-23, S. 917 considered in Senate.

May 23, 24, considered and passed Senate, amended, in lieu of S. 917.

June 6, House agreed to Senate amendment.



Public Law 91-644
91st Congress, H. R. 17825
January 2, 1971

An Act

To amend the Omnibus Crime Control and Safe Streets Act of 1968, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Omnibus Crime Control Act of 1970".

Omnibus Crime Control Act of 1970.

TITLE I—OMNIBUS CRIME CONTROL AND SAFE STREETS ACT AMENDMENTS

84 STAT. 1880
84 STAT. 1881

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

SEC. 2. Section 101 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows:

82 Stat. 198.
42 USC 3711.

"SEC. 101.(a) There is hereby established within the Department of Justice under the general authority of the Attorney General, a Law Enforcement Assistance Administration (hereinafter referred to in this title as 'Administration') composed of an Administrator of Law Enforcement Assistance and two Associate Administrators of Law Enforcement Assistance, who shall be appointed by the President, by and with the advice and consent of the Senate. Beginning after the end of the term of either of the present incumbents, one of the Associate Administrators shall be a member of a political party other than that of the President.

"(b) The Administrator shall be the executive head of the agency and shall exercise all administrative powers, including the appointment and supervision of Administration personnel. All of the other functions, powers, and duties created and established by this title shall be exercised by the Administrator with the concurrence of either one or both of the two Associate Administrators."

PLANNING GRANTS

SEC. 3. (a) The third sentence of section 203(a) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows: "The State planning agency and any regional planning units within the State shall, within their respective jurisdictions, be representative of the law enforcement agencies, units of general local government, and public agencies maintaining programs to reduce and control crime."

42 USC 3723.

(b) Subsection (c) of section 203 of such Act is amended by inserting the following after the period at the end of the first sentence: "The Administration may waive this requirement, in whole or in part, upon a finding that the requirement is inappropriate in view of the respective law enforcement planning responsibilities exercised by the State and its units of general local government and that adherence to the requirement would not contribute to the efficient development of the State plan required under this part. In allocating funds under this subsection, the State planning agency shall assure that major cities and counties within the State receive planning funds to develop comprehensive plans and coordinate functions at the local level."

(c) Subsection (c) of section 203 is amended further by striking out the word "the preceding sentence" and inserting in lieu thereof "this subsection".

(d) Section 204 of such Act is amended by striking the second sentence.

42 USC 3724.

GRANTS FOR LAW ENFORCEMENT PURPOSES

82 Stat. 199.
42 USC 3731.

SEC. 4. Part C of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended as follows:

(1) Section 301(b)(4) is amended to read as follows:

“(4) Constructing buildings or other physical facilities which would fulfill or implement the purpose of this section, including local correctional facilities, centers for the treatment of narcotic addicts, and temporary courtroom facilities in areas of high crime incidence.”

(2) Subsection (b) of section 301 is amended by adding at the end thereof the following new paragraphs:

“(8) The establishment of a Criminal Justice Coordinating Council for any unit of general local government or any combination of such units within the State, having a population of two hundred and fifty thousand or more, to assure improved planning and coordination of all law enforcement activities.

“(9) The development and operation of community based delinquent prevention and correctional programs, emphasizing halfway houses and other community based rehabilitation centers for initial preconviction of postconviction referral of offenders; expanded probationary programs, including paraprofessional and volunteer participation; and community service centers for the guidance and supervision of potential repeat youthful offenders.”

(3) Subsection (c) of section 301 is amended to read as follows:

“(c) The portion of any Federal grant made under this section for the purposes of paragraph (5) or (6) of subsection (b) of this section may be up to 75 per centum of the cost of the program or project specified in the application for such grant. The portion of any Federal grant made under this section for the purposes of paragraph (4) of subsection (b) of this section may be up to 50 per centum of the cost of the program or project specified in the application for such grant. The portion of any Federal grant made under this section to be used for any other purpose set forth in this section may be up to 75 per centum of the cost of the program or project specified in the application for such grant. No part of any grant made under this section for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under this section to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the cost of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. Effective July 1, 1972, at least 40 per centum of the non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated in the aggregate, by State or individual unit of government, for the purpose of the shared funding of such programs or projects.”

(4) Subsection (d) of section 301 is amended to read as follows:

“(d) Not more than one-third of any grant made under this section may be expended for the compensation of police and other regular law enforcement personnel. The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the

compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration or other short-term programs."

(5) Section 303 is amended by inserting immediately after the first sentence the following new sentence: "No State plan shall be approved as comprehensive unless the Administration finds that the plan provides for the allocation of adequate assistance to deal with law enforcement problems in areas characterized by both high crime incidence and high law enforcement activity." 82 Stat. 201.
42 USC 3733.

(6) Paragraph (2) of Section 303 is amended by striking out the semicolon and inserting in lieu thereof the following: ", except that each such plan shall provide that beginning July 1, 1972, at least the per centum of Federal assistance granted to the State planning agency under this part for any fiscal year which corresponds to the per centum of the State and local law enforcement expenditures funded and expended in the immediately preceding fiscal year by units of general local government will be made available to such units or combinations of such units in the immediately following fiscal year for the development and implementation of programs and projects for the improvement of law enforcement, and that with respect to such programs or projects the State will provide in the aggregate not less than one-fourth of the non-Federal funding. Per centum determinations under this paragraph for law enforcement funding and expenditures for such immediately preceding fiscal year shall be based upon the most accurate and complete data available for such fiscal year or for the last fiscal year for which such data are available. The Administration shall have the authority to approve such determinations and to review the accuracy and completeness of such data;"

(7) Section 305 is amended to read as follows:

"SEC. 305. Where a State has failed to have a comprehensive State plan approved under this title within the period specified by the Administration for such purpose, the funds allocated for such State under paragraph (1) of section 306(a) of this title shall be available for reallocation by the Administration under paragraph (2) of section 306(a)."

42 USC 3735.

(8) Section 306 is amended to read as follows:

"SEC. 306. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

42 USC 3736.

"(1) Eighty-five per centum of such funds shall be allocated among the States according to their respective populations for grants to State planning agencies.

"(2) Fifteen per centum of such funds, plus any additional amounts made available by virtue of the application of the provisions of sections 305 and 509 of this title to the grant of any State, may, in the discretion of the Administration, be allocated among the States for grants to State planning agencies, units of general local government, or combinations of such units, according to the criteria and on the terms and conditions the Administration determines consistent with this title.

Supra.
42 USC 3757.

Any grant made from funds available under paragraph (2) of this subsection may be up to 75 per centum of the cost of the program or project for which such grant is made. No part of any grant under such paragraph for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under such paragraph to an Indian tribe or

Ante, p. 1882.

other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the costs of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The limitations on the expenditure of portions of grants for the compensation of personnel in subsection (d) of section 301 of this title shall apply to a grant under such paragraph. Effective July 1, 1972, at least 40 per centum of the non-Federal funding of the cost of any program or project to be funded by a grant under such paragraph shall be of money appropriated in the aggregate, by State or individual unit of government, for the purpose of the shared funding of such programs or projects.

“(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds allocated to a State for that fiscal year for grants to the State planning agency of the State will not be required by the State, or that the State will be unable to qualify to receive any portion of the funds under the requirements of this part, that portion shall be available for reallocation to other States under paragraph (1) of subsection (a) of this section.”

TRAINING, EDUCATION, RESEARCH, DEMONSTRATION, AND SPECIAL GRANTS

Sec. 5. Part D of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended as follows:

82 Stat. 203.
42 USC 3741.
42 USC 3746.

(1) Section 406 is amended—

(A) by striking “in areas directly related to law enforcement or preparing for employment in law enforcement” in the first sentence of subsection (b) and inserting in lieu thereof “in areas related to law enforcement or suitable for persons employed in law enforcement”;

(B) by striking out “tuition and fees” in the first sentence of subsection (c) and inserting in lieu thereof “tuition, books, and fees”; and

(C) by inserting at the end thereof the following new subsections:

“(d) Full-time teachers or persons preparing for careers as full-time teachers of courses related to law enforcement or suitable for persons employed in law enforcement, in institutions of higher education which are eligible to receive funds under this section, shall be eligible to receive assistance under subsections (b) and (c) of this section as determined under regulations of the Administration.

“(e) The Administration is authorized to make grants to or enter into contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects for the development or demonstration of improved methods of law enforcement education, including—

“(1) planning for the development or expansion of undergraduate or graduate programs in law enforcement;

“(2) education and training of faculty members;

“(3) strengthening the law enforcement aspects of courses leading to an undergraduate, graduate, or professional degree; and

“(4) research into, and development of, methods of educating students or faculty, including the preparation of teaching materials and the planning of curriculums.

The amount of a grant or contract may be up to 75 per centum of the total cost of programs and projects for which a grant or contract is made.

"(f) The Administration is authorized to enter into contracts to make, and make, payments to institutions of higher education for grants not exceeding \$50 per week to persons enrolled on a full-time basis in undergraduate or graduate degree programs who are accepted for and serve in full-time internships in law enforcement agencies for not less than eight weeks during any summer recess or for any entire quarter or semester on leave from the degree program."

(2) Part D is further amended by inserting after section 406 the following new sections:

"SEC. 407. The Administration is authorized to develop and support regional and national training programs, workshops, and seminars to instruct State and local law enforcement personnel in improved methods of crime prevention and reduction and enforcement of the criminal law. Such training activities shall be designed to supplement and improve, rather than supplant, the training activities of the State and units of general local government, and shall not duplicate the activities of the Federal Bureau of Investigation under section 404 of this title."

Enforcement
personnel,
training
programs.

"SEC. 408. (a) The Administration is authorized to establish and support a training program for prosecuting attorneys from State and local offices engaged in the prosecution of organized crime. The program shall be designed to develop new or improved approaches, techniques, systems, manuals, and devices to strengthen prosecutive capabilities against organized crime.

82 Stat. 204.
42 USC 3744.
Prosecuting
attorneys,
training
programs.

"(b) While participating in the training program or traveling in connection with participation in the training program, State and local personnel shall be allowed travel expenses and a per diem allowance in the same manner as prescribed under section 5703(b) of title 5, United States Code, for persons employed intermittently in the Government service.

Travel
expenses.

"(c) The cost of training State and local personnel under this section shall be provided out of funds appropriated to the Administration for the purpose of such training."

80 Stat. 499;
83 Stat. 190.

GRANTS FOR CORRECTIONAL INSTITUTIONS AND FACILITIES

SEC. 6. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after part D the following:

82 Stat. 197.
42 USC 3701.

"PART E—GRANTS FOR CORRECTIONAL INSTITUTIONS AND FACILITIES

"SEC. 451. It is the purpose of this part to encourage States and units of general local government to develop and implement programs and projects for the construction, acquisition, and renovation of correctional institutions and facilities, and for the improvement of correctional programs and practices.

"SEC. 452. A State desiring to receive a grant under this part for any fiscal year shall, consistent with the basic criteria which the Administration establishes under section 454 of this title, incorporate its application for such grant in the comprehensive State plan submitted to the Administration for that fiscal year in accordance with section 302 of this title.

42 USC 3732.

"SEC. 453. The Administration is authorized to make a grant under this part to a State planning agency if the application incorporated in the comprehensive State plan—

"(1) sets forth a comprehensive statewide program for the construction, acquisition, or renovation of correctional institutions and facilities in the State and the improvement of correctional programs and practices throughout the State;

"(2) provides satisfactory assurances that the control of the funds and title to property derived therefrom shall be in a public agency for the uses and purposes provided in this part and that a public agency will administer those funds and that property;

"(3) provides satisfactory assurances that the availability of funds under this part shall not reduce the amount of funds under part C of this title which a State would, in the absence of funds under this part, allocate for purposes of this part;

"(4) provides satisfactory emphasis on the development and operation of community-based correctional facilities and programs, including diagnostic services, halfway houses, probation, and other supervisory release programs for preadjudication and postadjudication referral of delinquents, youthful offenders, and first offenders, and community-oriented programs for the supervision of parolees;

"(5) provides for advanced techniques in the design of institutions and facilities;

"(6) provides, where feasible and desirable, for the sharing of correctional institutions and facilities on a regional basis;

"(7) provides satisfactory assurances that the personnel standards and programs of the institutions and facilities will reflect advanced practices;

"(8) provides satisfactory assurances that the State is engaging in projects and programs to improve the recruiting, organization, training, and education of personnel employed in correctional activities, including those of probation, parole, and rehabilitation; and

"(9) complies with the same requirements established for comprehensive State plans under paragraphs (1), (3), (4), (5), (7), (8), (9), (10), (11) and (12) of section 303 of this title.

"SEC. 454. The Administration shall, after consultation with the Federal Bureau of Prisons, by regulation prescribe basic criteria for applicants and grantees under this part.

"SEC. 455. (a) The funds appropriated each fiscal year to make grants under this part shall be allocated by the Administration as follows:

"(1) Fifty per centum of the funds shall be available for grants to State planning agencies.

"(2) The remaining fifty per centum of the funds may be made available, as the Administration may determine, to State planning agencies, units of general local government, or combinations of such units, according to the criteria and on the terms and conditions the Administration determines consistent with this part.

Any grant made from funds available under this part may be up to 75 per centum of the cost of the program or project for which such grant is made. No funds awarded under this part may be used for land acquisition.

January 2, 1971

- 7 -

Pub. Law 91-644

84 STAT. 1887

"(b) If the Administration determines, on the basis of information available to it during any fiscal year, that a portion of the funds granted to an applicant for that fiscal year will not be required by the applicant or will become available by virtue of the application of the provisions of section 509 of this title, that portion shall be available for reallocation under paragraph (2) of subsection (a) of this section."

82 Stat. 206.
42 USC 3757.

(b) Section 601 of such Act is amended by inserting at the end thereof the following new subsection:

42 USC 3781.

"(1) The term 'correctional institution or facility' means any place for the confinement or rehabilitation of juvenile offenders or individuals charged with or convicted of criminal offenses."

"Correctional
institution or
facility."

(c) Part E and part F of title I of such Act are redesignated as part F and part G, respectively.

82 Stat. 205.
42 USC 3751,
3781.

ADMINISTRATIVE PROVISIONS

SEC. 7. Part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (as redesignated by section 6(c) of this Act) is amended as follows:

Supra.

(1) Section 505 is amended by striking "section 5315" and inserting "section 5314" and by striking "(90)" and inserting "(55)".

5 USC 5315.

(2) Section 506 is amended by striking "section 5316" and inserting "section 5315" and by striking "(126)" and inserting "(90)".

5 USC 5316.

(3) Section 508 is amended by inserting the following before the period at the end of the section: ", and to receive and utilize, for the purposes of this title, property donated or transferred for the purposes of testing by any other Federal agencies, States, units of general local government, public or private agencies or organizations, institutions of higher education, or individuals."

42 USC 3756.

(4) Section 515 is amended by inserting at the end thereof the following new sentence: "Funds appropriated for the purposes of this section may be expended by grant or contract, as the Administration may determine to be appropriate."

42 USC 3763.

(5) Section 516(a) is amended by striking out the period and inserting in lieu thereof the following: ", and may be used to pay the transportation and subsistence expenses of persons attending conferences or other assemblages notwithstanding the provisions of the Joint Resolution entitled 'Joint Resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings', approved February 2, 1935 (31 U.S.C. sec. 551)."

42 USC 3764.

(6) Section 517 is amended to read as follows:

49 Stat. 19.
82 Stat. 207.
42 USC 3765.

"Sec. 517. (a) The Administration may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, at rates of compensation for individuals not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code.

80 Stat. 416.

"(b) The Administration is authorized to appoint, without regard to the civil service laws, technical or other advisory committees to advise the Administration with respect to the administration of this title as it deems necessary. Members of those committees not otherwise in the employ of the United States, while engaged in advising the Administration or attending meetings of the committees, shall be compensated at rates to be fixed by the Administration but not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code and while away from home or regular place of business they may be allowed travel expenses, includ-

Ante, p. 198-1.

84 STAT. 1888

80 Stat. 499;
83 Stat. 190.
5 USC 5703.
Reports to
President and
Congress.
82 Stat. 208.
42 USC 3767.

ing per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently."

(7) Section 519 is amended to read as follows:

"SEC. 519. (a) On or before December 31 of each year, the Administration shall report to the President and to the Congress on activities pursuant to the provisions of this title during the preceding fiscal year.

"(b) Not later than May 1, 1971, the Administration shall submit to the President and to the Congress recommendations for legislation to assist in the purposes of this title with respect to promoting the integrity and accuracy of criminal justice data collection, processing, and dissemination systems funded in whole or in part by the Federal Government, and protecting the constitutional rights of all persons covered or affected by such systems."

(8) Section 520 is amended to read as follows:

"SEC. 520. There is authorized to be appropriated \$650,000,000 for the fiscal year ending June 30, 1971, of which \$120,000,000 shall be for the purposes of part E; \$1,150,000,000 for the fiscal year ending June 30, 1972, and \$1,750,000,000 for the fiscal year ending June 30, 1973. Funds appropriated for any fiscal year may remain available for obligation until expended. Beginning in the fiscal year ending June 30, 1972, and in each fiscal year thereafter there shall be allocated for the purposes of part E an amount equal to not less than 20 per centum of the amount allocated for the purposes of Part C."

(9) Section 521 is amended by inserting at the end thereof the following new subsection:

"(c) The provisions of this section shall apply to all recipients of assistance under this Act, whether by direct grant or contract from the Administration or by subgrant or subcontract from primary grantees or contractors of the Administration."

Appropriation.
42 USC 208.

Ante, p. 1885.

Ante, p. 1882.
Recordkeeping.
42 USC 3769.

80 Stat. 460.

SEC. 8. (a) Section 5314 of title 5, United States Code, is amended by striking "(1) Deputy Attorney General," and renumbering "(2)" through "(54)" respectively "(1)" through "(53)".

(b) Section 5313 of title 5, United States Code, is amended by adding at the end thereof "(20) Deputy Attorney General."

80 Stat. 460;
83 Stat. 864.
5 USC 5313
and note.

DEFINITIONS

82 Stat. 209.
42 USC 3781.
"Law
enforcement."

SEC. 9. Section 601 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended to read as follows:

(1) Subsection (a) is amended to read as follows: "'Law enforcement' means any activity pertaining to crime prevention, control or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals, activities of courts having criminal jurisdiction and related agencies, activities of corrections, probation, or parole authorities, and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction."

(2) Subsection (d) is amended by striking out "or" the second place it appears and by striking out the period and inserting in lieu thereof the following: "; or, for the purpose of assistance eligibility, any agency of the District of Columbia government or the United States Government performing law enforcement functions in and for the District of Columbia and funds appropriated by the Congress for the activities of such agencies may be used to provide the non-Federal share of the cost of programs or projects funded under this title; provided, however, that such assistance eligibility of any agency of the United States Government shall be for the sole purpose of

facilitating the transfer of criminal jurisdiction from the United States District Court for the District of Columbia to the Superior Court of the District of Columbia pursuant to the District of Columbia Court Reform and Criminal Procedure Act of 1970."

SEC. 10. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after part G (as redesignated by section 6(c) of this Act) the following:

"PART II—CRIMINAL PENALTIES

"SEC. 651. Whoever embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property which are the subject of a grant or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, shall be fined not more than \$10,000 or imprisoned for not more than five years, or both.

"SEC. 652. Whoever knowingly and willfully falsifies, conceals, or covers up by trick, scheme, or device, any material fact in any application for assistance submitted pursuant to this title or in any records required to be maintained pursuant to this title shall be subject to prosecution under the provisions of section 1001 of title 18, United States Code.

"SEC. 653. Any law enforcement program or project underwritten, in whole or in part, by any grant, or contract or other form of assistance pursuant to this title, whether received directly or indirectly from the Administration, shall be subject to the provisions of section 371 of title 18, United States Code."

SEC. 11. Section 5108(c) of title 5 of the United States Code is amended by inserting at the end thereof the following new paragraph:

"(10) the Law Enforcement Assistance Administration may place a total of twenty positions in GS-16, 17, and 18."

SEC. 12. Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting after part H (as designated by section 10 of this Act) the following new part:

PART I—ATTORNEY GENERAL'S ANNUAL REPORT ON FEDERAL LAW ENFORCEMENT AND CRIMINAL JUSTICE ACTIVITIES

SEC. 670. The Attorney General, in consultation with the appropriate officials in the agencies involved, within 90 days of the end of each fiscal year shall submit to the President and to the Congress an Annual Report on Federal Law Enforcement and Criminal Justice Assistance Activities setting forth the programs conducted, expenditures made, results achieved, plans developed, and problems discovered in the operations and coordination of the various Federal assistance programs relating to crime prevention and control, including, but not limited to, the Juvenile Delinquency Prevention and Control Act of 1968, the Narcotics Addict Rehabilitation Act 1968, the Gun Control Act 1968, the Criminal Justice Act of 1964, title XI of the Organized Crime Control Act of 1970 (relating to the regulation of explosives), and title III of the Omnibus Crime Control and Safe Streets Act of 1968 (relating to wiretapping and electronic surveillance).

TITLE II—STRICTER SENTENCES

SEC. 13. Section 924(c) of title 18, United States Code, is amended to read as follows:

"(c) Whoever—

Ante, p. 473.

82 Stat. 197;
Ante, pp. 1885,
1887.

42 USC 3701.

62 Stat. 749.

62 Stat. 701.
80 Stat. 453.

Supra.

82 Stat. 462.
42 USC 3801
note.
82 Stat. 1213.
18 USC 921
note.
78 Stat. 552.
18 USC 3006A
note.
Ante, p. 952.
82 Stat. 211.
18 USC 2510.
82 Stat. 1224.

84 STAT. 1890

"(1) uses a firearm to commit any felony for which he may be prosecuted in a court of the United States, or

"(2) carries a firearm unlawfully during the commission of any felony for which he may be prosecuted in a court of the United States.

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than one year nor more than ten years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to a term of imprisonment for not less than two nor more than twenty-five years and, notwithstanding any other provision of law, the court shall not suspend the sentence in the case of a second or subsequent conviction of such person or give him a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony."

TITLE III—CRIMINAL APPEALS

62 Stat. 844;
82 Stat. 237.

SEC. 14. (a) Section 3731 of title 18, United States Code, is amended—

(1) by striking out the first eight paragraphs and inserting in lieu thereof the following:

"In a criminal case an appeal by the United States shall lie to a court of appeals from a decision, judgment, or order of a district court dismissing an indictment or information as to any one or more counts, except that no appeal shall lie where the double jeopardy clause of the United States Constitution prohibits further prosecution.

"An appeal by the United States shall lie to a court of appeals from a decision or order of a district courts suppressing or excluding evidence or requiring the return of seized property in a criminal proceeding, not made after the defendant has been put in jeopardy and before the verdict or finding on an indictment or information, if the United States attorney certifies to the district court that the appeal is not taken for purpose of delay and that the evidence is a substantial proof of a fact material in the proceeding."

(2) by striking out the word "or" in the ninth paragraph and inserting in lieu thereof a comma, and inserting "or order" following the word "judgment" in the same paragraph;

(3) by striking out the last two paragraphs and inserting in lieu thereof a new paragraph as follows:

"The provisions of this section shall be liberally construed to effectuate its purposes."

(b) The amendments made by this section shall not apply with respect to any criminal case begun in any district court before the effective date of this section.

TITLE IV—PROTECTION OF MEMBERS OF CONGRESS

62 Stat. 684.
18 USC 1.

SEC. 15. Part I of title 18 of the United States Code is amended by inserting, immediately after chapter 17, a new chapter as follows:

**“Chapter 18.—CONGRESSIONAL ASSASSINATION,
KIDNAPING, AND ASSAULT**

“Sec.

“351. Congressional assassination, kidnaping, and assault; penalties.

**“§ 351. Congressional assassination, kidnaping, and assault;
penalties**

“(a) Whoever kills any individual who is a Member of Congress or a Member-of-Congress-elect shall be punished as provided by sections 1111 and 1112 of this title.

62 Stat. 756.
18 USC 1111,
1112.

“(b) Whoever kidnaps any individual designated in subsection (a) of this section shall be punished (1) by imprisonment for any term of years or for life, or (2) by death or imprisonment for any term of years or for life, if death results to such individual.

“(c) Whoever attempts to kill or kidnap any individual designated in subsection (a) of this section shall be punished by imprisonment for any term of years or for life.

“(d) If two or more persons conspire to kill or kidnap any individual designated in subsection (a) of this section and one or more of such persons do any act to effect the object of the conspiracy, each shall be punished (1) by imprisonment for any term of years or for life, or (2) by death or imprisonment for any term of years or for life, if death results to such individual.

“(e) Whoever assaults any person designated in subsection (a) of this section shall be fined not more than \$5,000, or imprisoned not more than one year, or both; and if personal injury results, shall be fined not more than \$10,000, or imprisoned for not more than ten years, or both.

“(f) If Federal investigative or prosecutive jurisdiction is asserted for a violation of this section, such assertion shall suspend the exercise of jurisdiction by a State or local authority, under any applicable State or local law, until Federal action is terminated.

“(g) Violations of this section shall be investigated by the Federal Bureau of Investigation. Assistance may be requested from any Federal, State, or local agency, including the Army, Navy, and Air Force, any statute, rule, or regulation to the contrary notwithstanding.”

Sec. 16. Paragraph (c), subsection (1), section 2516, title 18, United States Code, is amended by striking the word “or” in the last phrase of the subsection and inserting at the end thereof between the parenthesis and the semicolon “or section 351 (violations with respect to congressional assassination, kidnaping, and assault)”.

82 Stat. 217.

Sec. 17. The table of contents to part I of title 18, United States Code, is amended by inserting after the following chapter reference:

“17. Coins and currency..... 331”

a new chapter reference as follows:

“18. Congressional assassination, kidnapping, and assault..... 351”

TITLE V—PROTECTION OF THE PRESIDENT

Sec. 18. Title 18, United States Code, is amended by adding the following new section after section 1751:

62 Stat. 683;
79 Stat. 580.

“§ 1752. Temporary residence of the President

(a) It shall be unlawful for any person or group of persons—
“(1) willfully and knowingly to enter or remain in

“(i) any building or grounds designated by the Secretary of the Treasury as temporary residences of the President or as temporary offices of the President and his staff, or

“(ii) any posted, cordoned off, or otherwise restricted area of a building or grounds where the President is or will be temporarily visiting,

in violation of the regulations governing ingress or egress thereto:

“(2) with intent to impede or disrupt the orderly conduct of Government business or official functions, to engage in disorderly or disruptive conduct in, or within such proximity to, any building or grounds designated in paragraph (1) when, or so that, such conduct, in fact, impedes or disrupts the orderly conduct of Government business or official functions;

“(3) willfully and knowingly to obstruct or impede ingress or egress to or from any building, grounds, or area designated or enumerated in paragraph (1); or

“(4) willfully and knowingly to engage in any act of physical violence against any person or property in any building, grounds, or area designated or enumerated in paragraph (1).

“(b) Violation of this section, and attempts or conspiracies to commit such violations, shall be punishable by a fine not exceeding \$500 or imprisonment not exceeding six months, or both.

“(c) Violation of this section, and attempts or conspiracies to commit such violations, shall be prosecuted by the United States attorney in the Federal district court having jurisdiction of the place where the offense occurred.

“(d) The Secretary of the Treasury is authorized—

“(1) to designate by regulations the buildings and grounds which constitute the temporary residences of the President and the temporary offices of the President and his staff, and

“(2) to prescribe regulations governing ingress or egress to such buildings and grounds and to posted, cordoned off, or otherwise restricted areas where the President is or will be temporarily visiting.

“(e) None of the laws of the United States or of the several States and the District of Columbia shall be superseded by this section.”

SEC. 19. Section 3056, title 16, United States Code, is amended by designating the present paragraph as “(a)” and adding a new paragraph at the end thereof as follows:

“(b) Whoever knowingly and willfully obstructs, resists, or interferes with an agent of the United States Secret Service engaged in the performance of the protective functions authorized by this section, by the Act of June 6, 1968 (82 Stat. 170), or by section 1752 of title 18, United States Code, shall be fined not more than \$300 or imprisoned not more than one year, or both.”

TITLE VI—WIRETAP COMMISSION

SEC. 20. (a) Title III of the Omnibus Crime Control and Safe Streets Act of 1968 (82 Stat. 211) is amended by striking subsection (g) of section 804 and inserting the following:

“(g) (1) The Commission or any duly authorized subcommittee or member thereof may, for the purpose of carrying out the provisions of this title, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers and documents as the

Former
Presidents and
families,
protection.
65 Stat. 122;
82 Stat. 1198.
18 USC 3056.

82 Stat. 224.
18 USC 2510
note.

January 2, 1971

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Pub. Law 91-644

84 STAT. 1893

Commission or such subcommittee or member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member. Subpenas may be issued under the signature of the Chairman or any duly designated member of the Commission, and may be served by any person designated by the Chairman or such member.

"(2) In the case of contumacy or refusal to obey a subpoena issued under subsection (1) by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, the district court, at the request of the Chairman of the Commission, shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee or member thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

"(3) The Commission shall be 'an agency of the United States' under subsection (1), section 6001, title 18, United States Code for the purpose of granting immunity to witnesses.

Ante, p. 926.

"(4) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title. The Chairman is further authorized to call upon the departments, agencies, and other offices of the several States, to furnish, on a reimbursable basis or otherwise, such statistical data, reports, and other information as the Commission deems necessary to carry out its functions under this title."

(b) Such title is further amended as follows:

(1) in subsection (h) of section 804, strike "one-year" and insert "two-year", and

82 Stat. 224.
18 USC 2510
note.

(2) in subsection (k) of section 804, strike "six-year" and insert "fifth year".

(c) Section 1212 of the Organized Crime Control Act of 1970 is hereby repealed.

Repeal.

Approved January 2, 1971.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 91-1174 (Comm. on the Judiciary) and No. 91-1768 (Comm. of Conference).

SENATE REPORT No. 91-1253 (Comm. on the Judiciary).

CONGRESSIONAL RECORD, Vol. 116 (1970):

June 29, 30, considered and passed House.

Oct. 6, 8, considered and passed Senate, amended.

Dec. 17, Senate and House agreed to conference report.

APPENDIX C

APPENDIX C

LEAA PROJECT AWARDS TO STATE AGENCIES IN MASSACHUSETTS

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Department of Public Safety	1969	69-7A	Crime scene search training	8,000	40,525
		69-66	Data handling and communications	20,000	
		69-14	Riot control communication equipment	12,525	
	1970	70-006	Crime laboratory	10,000	187,646
		70-010	Crime scene search training	15,000	
		70-111	State police communications	60,000	
		70-011	Crime scene search training	35,000	
		70-102	Internships	12,646	
		70-097	Management training--state police	15,000	
		70-077	Police planning and research	40,000	
	1971	71-33	Police planning and research	85,000	505,000
		71-50	Training and reference materials	20,000	
		71-02	Study of laboratories	10,000	
		71-03	Crime scene search training	75,000	
		71-38	State police reorganization	265,000	
71-49		Management training--state police	25,000		
71-55		State police-selection and performance analysis	25,000		
THREE YEAR TOTAL					<u>733,171</u>
Department of Corrections	1969	69-26	Correction pre-release center	12,330	41,330
		69-26A	Research in vocational rehabilitation	17,000	
		69-29	Halfway house study	12,000	
	1970	70-051	Work release	50,000	292,184
		70-053	Community based followup of Norfolk fellowship	20,000	
		70-101	Specialized skills	15,000	
		70-064	Evaluation method for rehabilitation program	20,000	
		70-062	Family counseling within institutions	15,000	
		70-059	Vocational rehabilitation programs	25,000	
		70-061	Education programs for institutions	28,000	
		70-061	Education programs (Elma Lewis)	52,934	
		70-117	Analysis of correctional needs	59,250	

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APPENDIX C (continued)

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Department of Corrections cont' d.	1971	71-25	(Not specified)	115,755	
		71-20	Seminars	7,500	
		71-22	Vocational rehabilitation	100,000	
		71-26	Followup-Norfolk fellowships	45,000	
		71-23	Education for institutions	19,066	
		71-73	Re-integration	100,000	387,321
			THREE YEAR TOTAL		<u>720,835</u>
Metropolitan District Commission	1969	69-14	Riot control communications equipment	16,800	16,800
	1970	70-096	In-service training	8,400	
		70-030	Disorder control coordination	6,600	15,000
	1971	71-36	Management study	50,000	50,000
			THREE YEAR TOTAL		<u>81,800</u>
Massachusetts Superior Court	1969	69-44	Judicial sentencing conference	4,950	4,950
	1970	70-056	Interdisciplinary seminars	10,000	10,000
	1971	71-36	Management study	75,000	
		71-41	Model bail program	50,000	125,000
				THREE YEAR TOTAL	
Parole Board	1969	69-25	Specialized parole caseloads	8,000	8,000
	1970	70-068	Drug halfway house	60,000	60,000
	1971	71-29	Parole halfway house	100,000	100,000
				THREE YEAR TOTAL	

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APPENDIX C (continued)

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL	
Attorney General	1969	69-19	Organizing crime investigation training	9,900	14,850	
		69-19	Preliminary design of organizing crime technical assistance center	4,950		
	1970	70-072	Drug training, manual, and technical assistance	50,000	155,000	
		70-015	Organizing crime investigation capability and training	55,000		
		70-014	Organizing crime technical assistance	50,000		
	1971	71-50	Training and reference materials	48,500	182,292	
		71-30	Drug intelligence information system	75,000		
		71-05	Organizing crime unit	58,792		
	THREE YEAR TOTAL					<u>352,142</u>
	Municipal Police Science Institute	1969	69-66		15,000	15,000
THREE YEAR TOTAL					<u>15,000</u>	
Mass. Police Training Council	1969	69-38	Supervisory training for police	15,430	15,430	
	1971	71-46	Police recruit and in-service training	200,000	200,000	
	THREE YEAR TOTAL					<u>215,430</u>
Office of Commissioner of Probation	1969	69-97B	Probation management institute	5,000	5,000	
	1970	70-048	Assessment and accreditation. Parole officers	35,000	78,000	
		70-117	Correctional treatment	43,000		
	1971	71-21	Assessment and accreditation	25,000	25,000	
	THREE YEAR TOTAL					<u>108,000</u>

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APPENDIX C (continued)

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL	
Massachusetts Defenders	1969	69-45/67	Roxbury/Dorchester office	9,000	9,000	
	1970	70-058	Roxbury/Dorchester office	50,000	70,000	
		70-004	Roxbury/Dorchester office	20,000		
	1971	71-42	Roxbury/Dorchester office	183,950	183,950	
THREE YEAR TOTAL					<u>262,950</u>	
Chief Justice- Supreme Court	1971	71-43	Office of administration	65,000	65,000	
			THREE YEAR TOTAL		<u>65,000</u>	
Department of Mental Health	1970	70-066 70-070	Technical assistance for drug treatment	12,000	42,000	
			Data collection and analysis	30,000		
		THREE YEAR TOTAL		<u>42,000</u>		
Division of Youth Services	1970	70-036	Parole volunteer programs	25,000	172,550	
		70-034	Technical assistance	25,000		
		70-032	Planning capability	62,550		
		70-060	STEP innovative educational program at juvenile institution	60,000		
	1971	71-16	Planning and development: community services	250,000	635,000	
		71-17	Parole volunteer program	25,000		
		71-18	Innovative education at DYS institutions	60,000		
		71-32	DYS planning capability	50,000		
		71-39	DYS administration and management services	50,000		
	71-66	Reorganization	200,000			
	THREE YEAR TOTAL					<u>807,550</u>

APPENDIX C (continued)

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
United Community Services (Joint Correctional Planning)	1970	70-055	Probation incentive design	10,000	
		70-092	Joint probation parole training	10,000	
		70-078	Joint correctional planning and action capability	55,000	75,000
	1971	71-34	Joint correctional planning	200,000	200,000
			THREE YEAR TOTAL		<u>275,000</u>
Chief Justice District Courts	1970	70-101	Specialized skills	13,600	13,600
	1971	71-44	Office of administration	40,000	
		71-20	Judicial Seminars	7,500	47,500
			THREE YEAR TOTAL		<u>61,100</u>
Regional Board of Community Colleges	1970	70-105	Model community colleges curriculum	20,000	20,000
			THREE YEAR TOTAL		<u>20,000</u>
Massachusetts Association of Chiefs of Police Lynnfield Woburn	1970	70-075	Police chiefs conferences	10,000	
	1970	70-109	Municipal police radio	40,500	50,500
			THREE YEAR TOTAL		<u>50,500</u>
Division of Civil Service	1971	71-54	Civil service improvements	46,000	46,000
			THREE YEAR TOTAL		<u>46,000</u>

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APPENDIX C (continued)

AGENCY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Govenor's Committee: New England Institute of Law Enforcement Management	1971	71-48	Police command training institute	42,000	42,000
Maine	1970	70-089	Police command training institute	20,000	20,000
Harvard	1970	70-047	Community residential treatment centers for juveniles	11,500	
	1971	71-35	Community residential treatment centers for juveniles	89,235	100,735
Lowell Tech.	1970	70-009	Forensic Science Improvement: Neutron activation analysis	75,000	75,000
Administered Projects	1970	70-120	Criminal law revision	37,000	
		70-119	Juvenile law revision	10,000	
		70-118	Information and communication- technical assistance capability	45,000	
		70-081	Program evaluation component	25,000	117,000
	1971	71-45	Mass media public education	50,000	
		71-35	Program evaluation component	150,000	
		71-04	New England organized crime	8,520	
		71-56	Emergency communications	25,000	
		71-62	Frequency management	100,000	
		71-63	Juvenile law revision	10,000	
71-36	Lower court study	25,000	368,520		
			THREE YEAR TOTAL		<u>723,255</u>

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APPENDIX C (continued)
LEAA PROJECT AWARDS TO COUNTIES IN MASSACHUSETTS

COUNTY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Barnstable	1969	69-15	Riot control equipment	2,765	12,765
		69-15	Data handling and communications	10,000	
	1970	70-115	Police data handling	18,000	18,000
	1971	71-09	Regional and local disorder control units	11,677	11,677
			THREE YEAR TOTAL		<u>42,442</u>
Berkshire	---	---	-----	---	---
Bristol	1969	69-24	Specialized probation caseloads	8,000	8,000
	1970	70-067	Specialized probation caseload	15,000	15,000
	1971	71-36	Management study for D. A.	11,000	11,000
				THREE YEAR TOTAL	
Dukes	---	---	-----	---	---
Essex	---	---	-----	---	---
Franklin	1969	69-66	Data handling, communications equipment, etc.	15,000	15,000
	1971	71-47	Specialized training	23,160	34,160
		71-53	District court prosecutors	11,000	
			THREE YEAR TOTAL		<u>49,160</u>

APPENDIX C (continued)

COUNTY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Hampden	1969	69-33	Intensive juvenile probation	18,000	18,000
	1971	71-19	Model juvenile probation	81,569	81,569
			THREE YEAR TOTAL		<u>99,569</u>
Hampshire	1971	71-24	Resource and referral agent - county	35,000	46,000
		71-53	District court prosecutors	11,000	
			THREE YEAR TOTAL		<u>46,000</u>
Middlesex	1969	69-5	Youth resources bureau (YRB)	22,714	39,214
		69-21	District court prosecutors	11,500	
		69-22	Student prosecutor programs	5,000	
	1970	70-038	YRB continuation	52,256	134,856
		70-050	Probation volunteer	20,000	
		70-103	District court prosecutors	57,600	
		70-103	Student prosecutors	5,000	
	1971	71-15	Mental health to delinquents	68,747	231,351
		71-19	Model juvenile probation	54,419	
		71-20	District court improvement	15,110	
		71-44	Specialized skills	40,000	
		71-47	Specialized training	26,675	
		71-52	Specialized skills	11,400	
	71-53	District court prosecutors	15,000		
		THREE YEAR TOTAL		<u>405,421</u>	

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APPENDIX C (continued)

COUNTY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Nantucket	---	---	-----	---	---
Norfolk	1969	69-22	Student prosecutor program	5,000	5,000
	1970	70-063 70-103	County referral agents and work release Student prosecutors	29,980 5,000	34,980
	1971	71-25 71-36	Work release Management study	34,245 10,000	44,245
			THREE YEAR TOTAL		<u>84,225</u>
Plymouth	1969	69-63	D. A. office management	8,000	8,000
	1970	70-101 70-114	Specialized training Court management information systems	31,037 37,500	68,537
	1971	71-36	Management study criminal justice agency	30,612	30,612
			THREE YEAR TOTAL		<u>107,149</u>
Suffolk	1969	69-22 69-63	Student prosecutor program D. A. office management study	5,000 16,000	21,000
	1970	70-018 70-063 70-103 70-103	Witness security County resource and referral agents District court prosecutors Student prosecutors	25,000 30,000 34,575 5,000	94,575
	1971	71-47 71-50	Specialized training Training and reference manuals (D. A.)	10,945 28,794	39,739
			THREE YEAR TOTAL		<u>155,314</u>

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APPENDIX C (continued)

COUNTY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Worcester	1970	70-037	Intensive juvenile probation	21,984	
		70-063	Referral agents and work release	30,000	
		70-103	District court prosecutors	14,500	66,484
	1971	71-19	Model juvenile probation	90,501	90,501
			THREE YEAR TOTAL		<u>156,985</u>

APPENDIX C (continued)
LEAA PROJECT AWARDS TO CITIES OVER 100,000 POPULATION IN MASSACHUSETTS

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL	
Cambridge (100,361)	1969	69-4	Police community relations	12,715	41,399	
		69-5	YRB	23,970		
		69-5A	YRB Evaluation	4,714		
	1970	70-028	Model conflict management training	24,250	280,112	
		70-065	Community based drug treatment	67,100		
		70-115	Police dispatch analysis	37,650		
		70-020	Major city high crime	20,125		
		70-038	YRB	130,987		
	1971	71-102	Technical assistance	15,686	256,699	
		71-10	YRB	150,000		
		71-40	Innovative operations models	26,250		
		71-14	Innovative recreation education	36,638		
		71-13	Vocational projects-juveniles	28,125		
			THREE YEAR TOTAL			<u>578,210</u>
	New Bedford (101,777)	1969	69-1	Civil disorder prevention and training	15,000	39,465
69-5			Youth Resources Bureau (YRB)	12,465		
69-13			Police dispatching analysis	12,000		
1970		70-076	Police planning and research	10,000	87,231	
		70-102	Internships	11,826		
		70-020	Major city high crime	34,460		
		70-038	YRB	30,945		
1971		71-11	Community residential centers-juveniles	100,000	466,118	
		71-10	YRB	100,106		
		71-06	Major city high crime security	48,865		
		71-28	Community drug treatment	74,717		
		71-13	Vocational projects for delinquents, juveniles	78,000		
		71-36	Management study	35,000		
		71-33	Police planning	29,430		
			THREE YEAR TOTAL			<u>592,814</u>

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APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Springfield (163,905)	1969	69-15	Riot Control	8,500	23,500
		69-66	Data handling and communications	15,000	
	1970	70-030	Disorder control training	27,852	135,113
		70-039	YRB	20,000	
		70-047	Community residential treatment center for juveniles	45,441	
		70-044	Innovative recreational educational enrichment program	41,820	
	1971	71-33	Police planning and research unit	20,000	179,238
		71-11	Community residential treatment - juveniles	93,238	
		71-14	Innovative recreational educational enrichment program	66,000	
	THREE YEAR TOTAL				
Worcester (176,572)	1969	69-15	Riot control equipment	10,080	10,080
	1970	70-030	Disorder control training and coordination	29,205	314,790
		70-039	YRB	20,000	
		70-043	Employment for delinquent youth	59,986	
		70-050	Probation volunteer programs	23,402	
		70-065	Community based drug treatment	55,000	
		70-074	Community based alcohol treatment	59,000	
		70-076	Police planning and research	18,367	
		70-086	Management studies - criminal justice	15,000	
	70-020	Major city high crime	34,830		
	1971	71-47	Specialized training	15,000	281,822
		71-06	Major city high crime security	53,000	
		71-31	Community alcohol detoxification	135,822	
		71-10	YRB	78,000	
THREE YEAR TOTAL					<u>606,692</u>

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APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL		
Boston (641, 071)	1969	69-8	Crime laboratory improvement	5,000	154,950		
		69-15	Riot control equipment	5,000			
		69-16	Riot control training	21,830			
		69-23	Administration of criminal justice under emergency circumstances	5,000			
		69-33	Intensive juvenile probation	45,000			
		69-34	Local law enforcement recruitment	18,000			
		69-53	Police precinct crime analysis	24,820			
		69-66	Data handling and communications	30,300			
		1970	70-019	BHA tenant security		200,000	1,435,965
			70-023	Violent crime		25,000	
			70-024	Burglary and auto theft		32,230	
			70-037	Juvenile probation		44,294	
			70-042	Prevention		50,000	
	70-045		Psychiatric services	50,000			
	70-046		Therapy	25,000			
	70-047		Residential juvenile centers	45,842			
	70-049		Model probation	49,320			
	70-050		Probation volunteer	30,000			
	70-052	Released offenders	100,000				
	70-054	Community based treatment	100,000				
	70-057	Referral handbooks	9,927				
	70-061	Education for institutions	10,135				
	70-073	Alcohol detoxification	150,000				
70-096	In-service training	91,400					
70-099	Community service officers	24,817					
70-101	Specialized skills	48,000					
70-107	Information and communications	350,000					

APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Boston cont'd. (641, 071)	1971	71-13	Vocational projects - youthful offenders	32,500	
		71-15	Mental health services - delinquents	71,250	
		71-28	Community drug treatment	113,183	
		71-06	Major city high crime security	430,000	
		71-08	Violent crime program	140,000	
		71-60	Police information and communications system	500,000	
		71-27	Community based treatment and rehabilitation	200,000	
		71-11	Residential centers for juveniles	50,000	
		71-12	Crime high area delinquency prevention	65,000	
		71-31	Alcohol detoxification	340,921	1,942,854
		THREE YEAR TOTAL			<u>3,533,769</u>

APPENDIX C (continued)
LEAA PROJECT AWARDS TO CITIES BETWEEN 50,000 AND 100,000 IN MASSACHUSETTS

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Fall River (96,898)	1971	71-53	District court prosecutor	12,000	
		THREE YEAR TOTAL			
Lowell (94,239)	1970	70-074	Alcohol detoxification	50,000	
		70-050	Probation volunteer program	20,000	
		70-076	Police planning and research units	13,800	
		70-084	Family crisis unit	25,000	
		70-091	Police recruit and in-service training	100,000	208,800
THREE YEAR TOTAL				<u>208,800</u>	
Newton (91,263)	1969	69-15	Riot control equipment	1,359	1,359
	1970	70-021	Security project	23,900	
		70-076	Police planning and research	10,000	
		70-116	Police dispatching and patrol	22,000	
		70-115	Police data handling	22,899	
		70-001	Development investigative strategies	50,000	128,799
	1971	71-33	Police planning and research	20,000	
		71-21	Assessment and accreditation probation officers	23,900	
		71-01	Optimum investigative strategies	135,000	
71-09		Regional and local disorder control	20,000	199,300	
THREE YEAR TOTAL				<u>328,099</u>	
Lynn (90,294)	1970	70-030	Disorder control coordination and training	25,200	
		70-076	Police planning and research	16,200	
		70-096	In-service training	22,300	
		70-115	Police data handling	78,851	
		70-116	Police dispatching and patrol	18,000	
		70-086	Management study	15,000	175,551

APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Lynn cont'd. (90,294)	1971	71-50	Training and reference manual	6,300	70,191
		71-53	District court prosecutor	13,891	
		71-11	Community residential centers - juveniles	50,000	
			THREE YEAR TOTAL		
Brockton (89,040)	1969	69-5	YRB	25,850	25,850
	1970	70-038	YRB	42,025	103,525
		70-030	Disorder control and coordination	24,500	
		70-076	Police planning and research	9,000	
		70-096	In-service training	10,000	
		70-115	Police data handling	18,000	
	1971	71-10	YRB	64,059	64,059
		THREE YEAR TOTAL			<u>193,434</u>
Somerville (88,779)	1970	70-040	YRB	23,000	63,520
		70-044	Innovative recreational education program	40,520	
	1971	71-14	Innovative recreational enrichment	50,000	115,250
		71-33	Police planning and research	15,000	
		71-09	Regional and local disorder control	16,250	
		71-12	High crime area delinquency prevention	35,000	
			THREE YEAR TOTAL		
Quincy (87,966)	1969	69-35	Police cadets	8,000	39,415
		69-15	Riot control equipment	1,800	
		69-62	Management survey	14,615	
		69-66	Data handling and communications	15,000	

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APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Quincy cont'd (87, 966)	1970	70-030	Disorder control and training	33,513	
		70-076	Police research and planning	16,200	
		70-096	In-service training	22,300	
		70-115	Police data handling	78,851	
		70-116	Police dispatching and patrol	18,000	168,864
	1971	71-33	Police planning	25,000	25,000
			THREE YEAR TOTAL		<u>233,279</u>
Chicopee (66, 676)	1969	69-15	Riot control equipment	1,358	1,358
	1970	70-030	Disorder control and training	28,532	28,532
			THREE YEAR TOTAL		<u>29,890</u>
Lawrence (66, 915)	1969	69-48	Police juvenile training officer	6,000	6,000
	1970	70-024	Auto theft and burglary	28,520	
		70-043	Employment of delinquent youth	49,762	
		70-050	Probation volunteer	20,000	
		70-065	Community based drug treatment	75,000	
		70-096	In-service training	12,240	
		70-102	Internships	12,000	
		70-102	Internships	9,000	206,522
			THREE YEAR TOTAL		<u>212,522</u>
Medford (64, 397)	1969	69-54	Police planning and research	9,000	9,000
	1970	70-030	Disorder control coordination and training	19,500	
		70-093	Training material preparation	25,000	
		70-115	Police data handling	20,000	64,500

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APPENDIX C (continued)

CITY	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Medford cont'd. (64,397)	1971	71-33	Police planning	29,268	29,268
			THREE YEAR TOTAL		<u>101,768</u>
Framingham (64,048)	1969	69-15	Riot control equipment	1,358	1,358
	1970	70-086	Management study	10,542	10,542
	1971	71-33	Police planning and research	15,000	37,480
		71-09	Disorder control unit	22,480	
			THREE YEAR TOTAL		<u>49,381</u>
Brookline (58,689)	1971	71-33	Police planning and research	15,370	155,310
		71-36	Management study	20,000	
		71-07	Auto theft and burglary	54,900	
		71-47	Specialized training	30,000	
		71-40	Innovative operations models	15,000	
		71-58	Police information system	20,040	
			THREE YEAR TOTAL		<u>155,310</u>
Malden (56,127)	1971	71-33	Police planning and research unit	20,000	20,000
			THREE YEAR TOTAL		<u>20,000</u>
Holyoke (50,112)	1969	69-15	Riot control equipment	1,359	1,359
	1970	70-083	Team policing	40,000	50,000
		70-086	Management studies	10,000	
				THREE YEAR TOTAL	

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Cities with populations between 50,000 and 100,000 which have received no money are:

Waltham (61,108) Weymouth (55,328)
Pittsfield (56,673) Arlington (52,710)

APPENDIX C (continued)
LEAA PROJECT AWARD TO TOWNS BETWEEN 20,000 AND 50,000 IN MASSACHUSETTS

TOWN	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Peabody (48,080)	1970	70-086	Management study	7,260	14,280
		70-115	Police data handling	7,020	
				THREE YEAR TOTAL	
Fitchburg (43,243)	1970	70-103	District court prosecutors	12,000	12,000
	1971	71-33	Police planning and research	27,700	92,700
		71-28	Community drug treatment	65,000	
			THREE YEAR TOTAL		<u>104,000</u>
Revere (43,159)	1970	70-086	Management study	15,000	15,000
	1971	71-07	Auto theft and burglary	29,900	29,900
				THREE YEAR TOTAL	
Everett (43,243)	1970	70-115	Police data handling	15,600	15,600
			THREE YEAR TOTAL		<u>15,600</u>
Haverhill (42,120)	1971	71-47	Specialized training	27,360	27,360
			THREE YEAR TOTAL		<u>27,360</u>
Salem (40,556)	1970	70-086	Management study	10,000	10,000
			THREE YEAR TOTAL		<u>10,000</u>

APPENDIX C (continued)

TOWN	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Watertown (39, 307)	1970	70-086	Management study	12, 000	12, 000
			THREE YEAR TOTAL		<u>12, 000</u>
Beverley (38, 348)	1970	70-086	Management study	12, 500	12, 500
			THREE YEAR TOTAL		<u>12, 500</u>
Woburn (37, 406)	1970	70-030	Disorder control and training	14, 397	14, 397
			THREE YEAR TOTAL		<u>14, 397</u>
Attleborro (32, 907)	1969	69-66	Data handling and communications	6, 200	6, 200
			THREE YEAR TOTAL		<u>6, 200</u>
Chelsea (30, 625)	1970	70-030 70-115	Disorder control and training	19, 000	31, 000
			Police data handling	12, 000	
			THREE YEAR TOTAL		
Marlborough (27, 936)	1969	69-62	Police department management surveys	5, 745	5, 745
	1970	70-086	Management studies	7, 097	7, 097
	THREE YEAR TOTAL				<u>12, 842</u>
Milton (27, 190)	1970	70-086	Management study	15, 000	15, 000
			THREE YEAR TOTAL		<u>15, 000</u>

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APPENDIX C (continued)

TOWN	YEAR	PROJECT #	DESCRIPTION	DOLLARS	TOTAL
Winchester (22,269)	1970	70-024	Auto theft and burglary	28,250	28,250
			THREE YEAR TOTAL		<u>28,250</u>

Cities with populations between 25,000 and 50,000 which have received no money are:

Belmont (27,750)	Natick (31,055)
Braintree (35,373)	Needham (29,737)
Danvers (26,133)	Northampton (29,726)
Dedham (27,233)	Norwood (30,828)
Gloucester (27,690)	Taunton (43,766)
Leominster (32,709)	Wakefield (25,268)
Lexington (31,628)	Wellesley (27,951)
Melrose (32,881)	Westfield (31,102)
Methuen (34,986)	W. Springfield (28,276)

APPENDIX D

LEAA Discretionary Grant Awards in Massachusetts (page one of four pages)

	<u>DF #</u>	<u>Title</u>	<u>Amount</u>	<u>Location</u>
/70	073	Comprehensive Drug Abuse Control Program	\$150,390	Boston
	105	Police Policy Manual	21,295	Cambridge
	135	Development of Inter Agency Cooperation in Corrections	124,300	Boston
	145	Massachusetts Superior Court Management and Operations Study	75,000	Boston
	172	Community Youth Residence	22,250	Cambridge
	265	Day/Night Care and Drug Crisis Center	45,182	New Bedford
	421	Vertical Policing Services: Multi Story Housing	185,000	Springfield
	438	Regional Staff Training Center and Treatment Unit for Youth (DYS)	183,120	Boston
/71	487	Conflict/Disorder Assessment Group	59,981	Boston
	494	Middlesex County Sheriff's Office Program for Rehabilitation and Work Release	180,661	Billerica
	507	Emergency Communications System Project	99,599	Boston
	510	Mutual Aid Compact and Training Program Development	25,000	Lowell

LEAA Discretionary Grant Awards in Massachusetts (page two of four pages)

<u>DF #</u>	<u>Title</u>	<u>Amount</u>	<u>Location</u>
517	Vertical Policing Services: Multi Story Housing	\$173,540	Boston
529	Forensic Science Improvement Program	120,000	Boston
553	Comprehensive Inter Correctional Drug Addict Treatment Program	154,318	Boston
560	Police Legal Advisor	15,000	Quincy
565	Breaking/Entering and Auto Theft (BEAT) Program	90,477	Lowell
566	Mutual Aid Compact and Program Development: Western Massachusetts	22,874	Holyoke
578	Police in Service Training Curriculum Design	29,500	Boston
586	Court Management Study (3rd District Court, Middlesex)	25,000	Cambridge
592	Mass State Police Legal Advisor	15,000	Boston
594	Legal Advisor and Psychiatric Assistance	25,000	Boston
654	Middlesex County Sheriff's Office Program for Counseling and Legal Services	149,000	Billerica
684	VISIT (Volunteers in Service Intern Training Project)	150,000	Salem

LEAA Discretionary Grant Awards in Massachusetts (page three of four pages)

<u>DF #</u>	<u>Title</u>	<u>Amount</u>	<u>Location</u>
707	Development of Inter Agency Cooperation in Corrections	\$ 75,615	Boston
719	Norfolk County Comprehensive Drug Program	153,986	Dedham
903	Police Legal Advisor	15,000	Andover
907	Educational Negotiations Project	62,910	Boston
962	Team Police Development	200,000	Holyoke
963	Probation Residential Center	164,123	Framingham
997	Police Legal Advisor	15,000	Brookline
998	Police Legal Advisor	15,000	Lynn
999	Police Legal Advisor	15,000	New Bedford
1065	Conflict Management and Crisis Intervention Organization for Police	98,968	Boston
1099	Juvenile Delinquency Prevention and Control Programs	100,000	Fall River
1103	Police and Community Service Cadets	100,000	Springfield

LEAA Discretionary Grant Awards in Massachusetts (page four of four pages)

<u>DF #</u>	<u>Title</u>	<u>Amount</u>	<u>Location</u>
72-DF-01-0008	Community Assistance Group (Conflict/ Disorder)	\$ 60,000	Boston
72-ED-01-0002	Program Alternatives to Institutionalization - Stephen L. French Youth Forestry Camp, AKA Homeward Bound	91,760	Boston
72-ED-01-0003	Community Based Group Home Project	235,000	Boston
72-ED-01-0004	Norfolk Reintegration Center	249,750	Norfolk
72-DF-01-0011	Quincy Police Legal Advisor	11,250	Quincy

The Governor's Committee also received two discretionary grants for its own use:

021	Pilot Organized Crime Info. System	\$174,176
044	New England Organized Crime Intelligence System	598,430

APPENDIX E

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