

The original documents are located in Box 14, folder “1974/12/05 S2299 Joint Funding Simplification Act of 1974” of the White House Records Office: Legislation Case Files at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Exact duplicates within this folder were not digitized.

APPROVED
DEC 5 - 1974

ACTION

THE WHITE HOUSE
WASHINGTON

Last Day: December 6

December 3, 1974

MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLLETT
SUBJECT: Enrolled Bill S. 2299 - Joint Funding Simplification Act of 1974

Attached for your consideration is S. 2299, sponsored by Senators Muskie, Ervin and Gurney, which simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the signing statement.

RECOMMENDATION

That you sign Senate Bill S. 2299 (Tab B) and approve the proposed Presidential signing statement (Tab C).

Approve signing statement RCF

Disapprove signing statement _____

APPROVED

DEC 5 - 1974

Statement Issued
12/5

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

NOV 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 2299 - Joint Funding Simplification Act of 1974
Sponsors - Sen. Muskie (D) Maine, Sen. Ervin (D) North Carolina, and Sen. Gurney (R) Florida

To Archives
12/6

Last Day for Action

December 6, 1974 - Friday

Purpose

Simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

Agency Recommendations

| | |
|--|---------------------------------------|
| Office of Management and Budget | Approval |
| General Services Administration | Approval (Signing statement attached) |
| Department of Agriculture | Approval (informally) |
| Department of Health, Education, and Welfare | Approval |
| Department of Justice | Approval |
| Department of Transportation | Approval |
| Department of the Treasury | Approval |
| ACTION | Approval |
| Advisory Commission on Intergovernmental Relations | Approval |
| Civil Service Commission | Approval |
| Environmental Protection Agency | Approval |
| Department of Commerce | No objection |
| Department of Housing and Urban Development | No objection |
| Department of the Interior | No objection |
| Department of Labor | No objection |
| Department of Defense | Defers to other agencies |



Discussion

Passage by the Congress of the enrolled bill represents the culmination of Executive Branch efforts dating back to 1967 to obtain legislation to permit "joint funding" simplification. The bill is substantially similar to the legislation last submitted by the Administration in March of 1973.

The need for encouraging joint funding of projects involving different programs and agencies has arisen because of the increase in the number of grant-in-aid programs enacted by the Congress in recent years. Many of these are narrow, categorical grant programs, each with its own application forms, reporting dates, and accounting and other procedures. Accordingly, State and local governments or other applicants often find it difficult or impossible to package categorical programs into multi-purpose projects, which may, in many instances, represent the most efficient and effective method of delivering public services.

S. 2299 would help alleviate this difficulty by providing authority to expedite the consideration and approval of projects involving more than one categorical grant and by simplifying procedures for their administration. It builds on experiments and pilot projects conducted by OMB during the past several years, most notably the Integrated Grant Administration Program which is now being administered by the General Services Administration.

The enrolled bill would not affect the substance of or appropriations for existing grant programs.

The enrolled bill differs from the Administration's proposal primarily in four respects:

(1) It provides for expiration five years after it becomes effective. The Administration had proposed a permanent program.

(2) It provides that the amounts transferred to a joint management fund be separately accounted for by program and appropriation. The Administration had proposed that the total amount approved for a joint funding project be accounted for through a joint management fund as if the funds were derived from a single assistance program or appropriation.

(3) It would not cover assistance in the form of loans, loan guarantees, or insurance. The Administration had proposed including such forms of assistance.

(4) It requires Presidential regulations to insure that projects are administered consistent with statutory requirements. The Administration had proposed this requirement only with respect to statutory requirements of a substantive nature.

GSA and HUD indicate that the provisions of the Administration's bill would have been preferable, but GSA has no serious objections to the changes made by the Congress. HUD believes they diminish the bill's effectiveness substantially, but nevertheless does not object to its approval.

Major provisions of the bill

S. 2299 would require the President to promulgate regulations to assure that all Federal agencies apply the Act consistently. Subject to Presidential regulations, agency heads would be authorized to identify related programs suitable for joint funding of projects, develop guidelines and procedures (including joint or common application forms) to assist planning for such projects, review and modify administrative program requirements that may impede joint support of projects, establish common technical or administrative rules to assist such projects, and create joint or common procedures for processing applications and supervising project administration.

The agency heads would be authorized to adopt uniform provisions for projects that would otherwise be subject to varying or conflicting technical or administrative rules and procedures not required by law--such as those governing financial administration, requirements for use of grants vs. contracts, and accountability for property acquired or constructed with Federal assistance. Reviews of project proposals could be conducted by a single panel, board, or committee in lieu of separate reviews.

Agency heads could also waive requirements that a single or specific agency be used to administer a part of the Federal assistance drawn upon by any jointly funded project. However,

such waivers could be exercised only upon request of heads of a unit of general government with respect to agencies under their jurisdiction, or with the agreement of the several State or local public agencies involved.

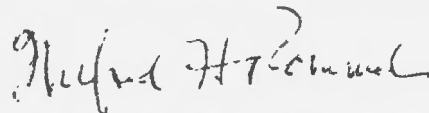
With the approval of the President, Federal agency heads would be authorized to delegate powers to other Federal agencies to supervise or administer jointly funded projects. Agency heads would, however, remain responsible for the proper and efficient management of projects funded by their agencies.

Joint management funds could be established for the more effective administration of jointly-funded projects. Each affected program or appropriation would periodically transfer to the joint management fund its proportionate share of amounts needed for payment to the grantee. The administering agency would be responsible and accountable by program and appropriation for the amounts provided for the purposes of each account established in the fund. A single non-Federal share could be established according to the Federal share ratios applicable to the programs involved and the proportion of funds transferred to the project account from each of those programs.

Grantees would be required to keep records prescribed by the administering agency.

At least one year prior to the expiration of the Act, the President would have to submit a comprehensive report to the Congress on its functioning, including recommendations for its continuation, modification, or termination.

The Act would become effective sixty days from the date of enactment and would expire five years later.



Assistant Director for
Legislative Reference

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

DATE: 12-5-74

TO: Bob Linder

FROM: Wilf Rommel

Attached is the Agriculture views letter on S. 2299. Please have included in the enrolled bill file. Thanks.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

Honorable Roy L. Ash
Director, Office of
Management and Budget
Washington, D. C. 20503

December 4, 1974

Dear Mr. Ash:

This is in reply to your request for a report on the enrolled enactment S. 2299, "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects."

This Department recommends that the President approve the bill.

We favor the enactment of such legislation to simplify and expedite the deliverance of Federal grant and contractual assistance when needed to supplement and complement existing authorities, but not for the purpose of supplanting financial contributions required from state and local agencies and organizations. The provisions of this proposed enactment should be consistent with presently operating clearinghouse procedures in accordance with OMB Circular A-95.

The approval of this proposed enactment will not result in any significant additional agency administrative cost. With proper coordination procedures, the cost of administering grant funds and contractual arrangements by Federal agencies could be significantly decreased for jointly funded projects.

Sincerely,

A handwritten signature in cursive script that reads "J. Phil Campbell".

J. Phil Campbell
Under Secretary

UNITED STATES OF AMERICA
GENERAL SERVICES ADMINISTRATION
WASHINGTON, DC 20405



NOV 25 1974

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Ash:

By referral dated November 22, 1974, from the Assistant Director for Legislative Reference, your office requested the views of the General Services Administration on enrolled bill S. 2299, 93rd Congress, an act "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes." The short title of this legislation is the "Joint Funding Simplification Act of 1974."

Legislation for this purpose has been before the Congress since 1967. In previous years, different House and Senate versions of the legislation were passed at different sessions of the Congress but no final action was taken.

On March 20, 1973, on behalf of the Administration, you submitted to the Speaker of the House and the President of the Senate a revised version of the joint funding legislation previously considered by the Congress and urged prompt enactment.

Hearings on this legislation (H.R. 11236 and S. 2299) were held by the House and Senate. Representatives of OMB and GSA testified in strong support of the legislation. It was also supported by the Advisory Commission on Intergovernmental Relations, State and local government public interest groups, and professional organizations such as the Municipal Finance Officers Association, the Federal Government Accountants Association, and the American Institute of Certified Public Accountants.

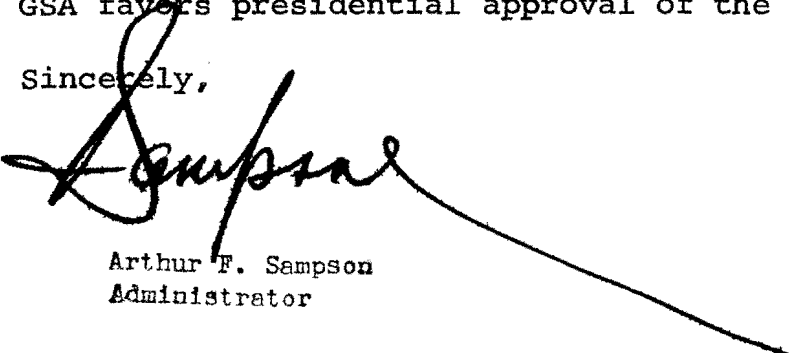
As a result of the hearings, the House made several amendments to the bill as introduced. One of the amendments relates to the joint management fund authorized by section 8. The original language provided that the total amount approved for a joint funding project may be accounted for through a joint management fund as if the funds had been derived from a single Federal assistance program or appropriation. The amendment provides that the amounts transferred to a joint management fund shall be accounted for according to the source of funds by program and appropriation. Another amendment relates to section 13 where language was added to provide that the legislation shall expire five years following the date upon which it becomes effective. Although we would have preferred the original language of the bill, we have no serious objection to these amendments. We have no objection to the other amendments made by the House.

The Senate adopted and passed the amended version of the bill as passed by the House.

A detailed section-by-section analysis of the legislation is contained in the enclosed House Committee report which accurately reflects its purpose and objectives.

GSA favors presidential approval of the enrolled bill.

Sincerely,



Arthur F. Sampson
Administrator

Enclosure

SIGNING STATEMENT BY THE PRESIDENT ON THE
JOINT FUNDING SIMPLIFICATION ACT OF 1974

I have today signed into law the Joint Funding Simplification Act of 1974.

This is a significant piece of legislation. It is a further step in the continuing effort to simplify and streamline grant administration. I am happy to say that the legislation has had strong bipartisan support in both Houses of Congress.

The Act will simplify funding and other procedures in those cases where a grantee receives assistance from two or more different agencies or programs within an agency. It provides a means by which funds, procedures, and administrative requirements of related programs can be brought together simply and speedily to support a particular project or group of projects for which Federal assistance is being sought.

More specifically, it provides a basis for:

- . Meeting interrelated needs with one comprehensive plan for receiving grants from several Federal agencies through one Federal funding source.
- . Receiving Federal funds in synchronization with the grantee's own planning and funding cycles.
- . Simplifying and standardizing administrative requirements.
- . Simplifying paperwork and recordkeeping.
- . Reporting progress to one Federal center rather than several.
- . Replacing separate Federal agency audits with a single audit by only one agency.

The procedures which this Act provides have been tested in a number of pilot projects throughout the country with most encouraging results. Not only are the recipients of grants in a better position to apply Federal assistance more effectively but I think it is fair to say that we can expect more mileage from each tax dollar.

However, we must not rest here. The explosive growth of Federal grants in recent years makes it imperative that we continue an unrelenting effort towards further improvement in grant administration.

Joint Funding Talking Paper

A signing ceremony for this bill would be desirable for the following reasons:

1. The bill improves the administration of grants-in-aid to State and local government--an area now exceeding \$50 billion a year.
2. The bill shows the Administration's continued commitment to improving management of Government at all levels--Federal, State, and local.
3. It would alert affected Federal officials to the significance of the legislation.
4. Because the potential recipients of jointly funded projects are dispersed throughout the country, a signing ceremony would give it desirable public attention.
5. The bill has had broad bipartisan support in Congress, and a ceremony would reaffirm the President's desire to work with the Congress.



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

NOV 27 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This is in response to Mr. Rommel's request of November 22, 1974, for a report on S. 2299, an enrolled bill "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes."

The bill would provide authority to simplify the procedures governing consideration and approval of projects drawing upon more than one Federal assistance program and the requirements imposed with respect to the operation of those projects. For example, establishment of uniform technical and administrative requirements applicable to such projects would be authorized, joint management funds for such projects could be established, and agencies would be authorized to delegate to other agencies supervision and administration of Federal assistance to such projects.

In our view, the bill would improve the efficiency and effectiveness of Federal assistance to projects assisted under more than one Federal program by reducing the administrative burdens of both grantees and the government. The Department supported legislation similar to S. 2299 in a letter to the Chairman of the House Committee on Government Operations earlier this year, a copy of which is enclosed, and our views remain unchanged. We therefore urge that the enrolled bill be signed into law.

Sincerely,

Acting Secretary

RECEIVED

Enclosure



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

APR 3 1974

Honorable Chet Holifield
Chairman, Committee on
Government Operations
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

This is in response to your request of November 5, 1973 for a report on H.R. 11236, the "Joint Funding Simplification Act of 1973." The bill would provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, and simplify requirements for operation of those projects.

Section 3 would authorize the heads of Federal agencies, under regulations prescribed by the President, to remove certain existing obstacles to the combining of Federal assistance activities under a single project and to otherwise facilitate more widespread use of joint funding arrangements. These provisions would extend and strengthen joint funding demonstrations already underway and the Department accordingly supports their enactment. Two such demonstrations are the Integrated Grant Administration Program under GSA's auspices and the Department's own Consolidated Funding Procedures, both of which are already in effect and supporting ongoing, joint funded projects. Both include provision for assumption of project management responsibilities by a lead agency acting on behalf of other participating agencies. Common application forms and uniform technical and administrative requirements have been instituted in the Department's Consolidated Funding Procedures in accordance with the Department's regulations in Chapter 45 Part 74,

entitled "Administration of Grants." The Department has implemented these requirements not only for State and local governments, but many of them for its other applicants as well, thus greatly reducing the technical impediments to joint funding and administration of projects drawing on more than one Federal program or appropriation. The provisions of Section 3 of the bill on consultation and cooperation among the heads of Federal agencies about joint funding opportunities are now accomplished, in part, through the activities of the Federal Regional Councils on Integrated Grant Administration projects.

Section 4 of the bill requires that procedures established by the heads of Federal agencies for the processing of applications or requests for assistance under two or more Federal programs in support of any project be designed to assure, insofar as reasonably possible, that (1) all required reviews and approvals are handled expeditiously; (2) full account is taken of any special considerations of timing that are made known by the applicant that would affect the feasibility of a jointly funded project; (3) the applicant is required to deal with a minimum number of Federal representatives, acting separately or as a common board or panel; (4) the applicant is promptly informed of decisions with respect to his application and of any special problems or impediments which may affect the feasibility of Federal provision of assistance on a joint basis; and (5) the applicant is not required by representatives of any one Federal agency or program to obtain information or assurances concerning the requirements or actions of another Federal agency which could better and more appropriately be secured through direct communication among the Federal agencies involved. The requirements of this section have been anticipated in the standards for application processing developed for both the Integrated Grant Administration Program and the Department's Consolidated Funding Procedures. It is our understanding that the application forms and procedures for application processing contained in OMB Circular No. A-102 have now been incorporated in the Integrated Grant Administration Program. The Circular requires, for example, the use of a

pre-application form in the case of most requests that would appropriately be considered for joint funding. Federal agencies are required to respond to such pre-applications within 45 days of receipt and to advise the applicant of the likelihood of successful competition for funds, the probable dollar amount of the award, and any modifications in the proposal which would enhance its chances for funding. The application forms in OMB Circular No. A-102 are specifically designed for simultaneous application to more than one Federal assistance program and their use is mandatory for applicants who are units of State or local government. In many of the Department's programs, the use of these forms has been extended to other types of grantees as well. Accordingly, the Department supports the enactment of these provisions.

Section 5 establishes certain limitations on the use of authorities specified in subsequent sections of the bill (relating to the establishment of uniform administrative requirements, delegation of powers and responsibilities, and establishment of joint management funds). The Department agrees that these authorities should be exercised only pursuant to regulations prescribed by the President, that such regulations should include criteria or procedures to assure that the authorities are limited in use to problems that cannot be adequately dealt with through other actions pursuant to this Act or other applicable law, that they are applied only as necessary to promote expeditious processing or effective and efficient administration, and that they are applied consistent with the protection of the Federal interest and with program purposes or statutory requirements of a substantive nature.

It would be extremely desirable, however, that Federal agencies be authorized to extend the advantages of any modification of the technical or administrative statutory requirements made with respect to a joint funded project to other projects that are not joint funded, but are receiving funds

from the same program. Unless changes in technical or administrative requirements can be appropriately generalized, potential applicants might be encouraged to fabricate joint funding proposals simply to obtain relief from restrictive or inconvenient requirements.

Section 6 would authorize the heads of Federal agencies to adopt, for joint funded projects, uniform provisions on financial administration, the timing of Federal payments, the use of grants versus contracts as the means of assistance, property management, and other matters. OMB Circular No. A-102 mandates the imposition upon units of State or local government of identical requirements on all of the subjects specifically referred to above except the use of grants or contracts. A companion Circular, to be issued in the near future, will standardize similar requirements imposed on grantees who are not units of State or local governments. The addition of authority to adopt uniform requirements for matters not covered in the Circulars, and to use a grant or contract where the other form of assistance would otherwise be required, would greatly facilitate the administration of joint funded projects from both the grantee's and the grantor's perspectives. The Department, therefore, supports the enactment of these provisions.

Section 6 would also permit the review of joint funding proposals by a single panel, board or committee in lieu of separate reviews that would otherwise be required by law, and permit the waiver of requirements that a single or specific public agency be utilized or designated to receive, supervise, or otherwise administer a part of the Federal assistance. The first provision would serve to expedite the review of some joint funding proposals, but would be far more useful if it specifically authorized the waiver of review procedures established by regulation. It is, in the majority of the Department's programs, regulatory requirements for which there are no inherent waiver provisions, that prevent the adoption of exceptional review procedures. Provisions of law are, in this case, less of a problem. Enactment of authority to waive "single agency administration" requirements

would make possible certain joint funding arrangements which would currently be impossible under any circumstances. The Department would welcome enactment of both provisions.

Section 7 of the bill would authorize the heads of agencies to delegate to other Federal agencies, with the President's approval, their responsibilities for approval and subsequent administration of projects or classes of projects supported by joint funding. The freedom to delegate project administration functions is necessary for effective utilization of the lead agency concept. In our view, this is less so with the delegation of authority to approve projects.

Section 8 would permit the establishment of joint management funds as a method of administering funds drawn from more than one Federal appropriation to support a joint funded project. Accounts in these joint management funds would be subject to agreements entered into by participating Federal agencies on such matters as the responsibilities of the agencies concerned, accounting by the agency administering the fund, and the adjustment of amounts of agency funds in the account. The head of the agency administering the fund would specify the records required of recipients to disclose, at a minimum, the amount and disposition by the recipient of Federal assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

Section 8 would further require that the head of the Federal agency responsible for administering such joint management fund and the Comptroller General of the United States, or any of their duly authorized representatives, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the moneys received from such fund. Finally, this section would permit, in the case of any project covered in a joint management fund, a single non-Federal share to be established according to the Federal share ratios applicable to the several Federal assistance programs involved and the proportion of funds transferred to the project account from each of those programs.

Arrangements essentially similar to those specified by this section have been tested in the fiscal administration of joint funded projects under the Integrated Grant Administration Program. The Department has found the use of joint management funds practicable and effective in safeguarding the integrity of Federal appropriations. The Department accordingly supports the enactment of the provisions in Section 8 of the bill.

Section 9 would provide that appropriations available to any Federal assistance program for technical assistance or the training of personnel may be used for such purposes in connection with projects proposed or approved for joint or common funding involving that program and other Federal assistance programs. It would also authorize the detailing of Federal agency personnel to other agencies in order to facilitate the processing or administration of joint funding proposals.

The authority to apply existing technical assistance and training resources to aspects of joint funded projects or proposals where such aid would not otherwise be available would be desirable from the Department's standpoint. While we would not object to a provision on detailing personnel, our experience with joint funding experiments to date has not indicated any need to detail Department employees to other agencies.

Section 10 of the bill would authorize Federal agencies to enter into agreements with States or State agencies as appropriate to extend the benefits of the bill to projects involving assistance from State as well as Federal agencies. In at least one instance, the Department has been obliged to turn down a joint funding proposal because it depended upon the incorporation of financial assistance under a State formula grant for which the head of the State agency had final approval authority and responsibility for administration. Section 10 specifically permits arrangements which could have overcome this obstacle and the Department would therefore welcome its enactment.

Section 11 would authorize the President to take such action, prescribe such procedures, and promulgate such rules as may be necessary or appropriate to assure that this Act is applied by all Federal agencies in a consistent manner and in accordance with its purposes. He would for this purpose be authorized to require that Federal agencies adopt or prescribe procedures that will assure that applicants for assistance to projects under this Act make appropriate efforts (1) to secure the views and recommendations of non-Federal agencies that may be significantly affected by such projects, including units of general government, and (2) to resolve questions of common interest to those agencies prior to submission of any application. This section would also require the President to make reports to the Congress on actions taken under this Act and to make such recommendations for additional legislative action as he may deem appropriate, including recommendations for the consolidation, simplification, and coordination of Federal assistance programs. The Department prefers to defer to the Office of Management and Budget with respect to desirability of enactment of this section.

The Department has no comment on the definitions in Section 12 of the bill or the effective date prescribed by Section 13.

We therefore recommend that the bill be favorably considered.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program and that enactment of H.R. 11236 would be in accord with the President's program.

Sincerely,

/s/ Frank C. Carlucci

Acting Secretary

Department of Justice
Washington, D.C. 20530

NOV 26 1974

The Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D.C. 20503

Dear Mr. Ash:

In compliance with your request, I have examined a facsimile of the enrolled bill, S. 2299, "Joint Funding Simplification Act of 1974."

The purpose of this bill is to achieve consolidation, simplification, and coordination of Federal assistance programs by authorizing the heads of Federal agencies, by internal agency order or interagency agreement, jointly to establish operating procedures designed to facilitate the planning, development, application processing, and funding of projects assisted under more than one Federal assistance program. Through coordination of the Federal assistance available to States, local governments, and other public and private organizations under several Federal programs administered by different Federal agencies, these Federal assistance programs may be used together or jointly in support of projects which might be undertaken.

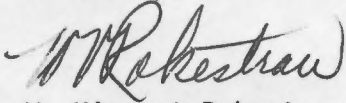
The bill is quite similar to draft legislation submitted to the Congress by the Administration in 1973. A number of the functions contemplated by the legislation are now performed by the Integrated Grant Administration, housed in the General Services Administration. The Integrated Grant Administration functions as an interagency coordinating body having overview responsibility for federal grant programs similar to that provided for in S. 2299. This bill would provide the Executive branch of the government with the statutory authority to continue activities of this nature.

Within the Department of Justice, S. 2299 would mainly affect the operation of the Law Enforcement Assistance Administration's block grant program. LEAA's financial guidelines are issued pursuant to OMB Circulars and in connection with the activities of the Integrated Grant Administration. LEAA is currently participating in the funding and operation of several projects jointly with other federal agencies, and expects to continue such efforts.

Page 2

For the reasons noted above, the Department of Justice recommends executive approval of S. 2299.

Sincerely,

A handwritten signature in dark ink, appearing to read "W. Vincent Rakestraw". The signature is written in a cursive style with a large initial "W".

W. Vincent Rakestraw
Assistant Attorney General



OFFICE OF THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

November 25, 1974

Honorable Roy Ash
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Ash:

This responds to your request for the views of the Department of Transportation concerning the "Joint Funding Simplification Act of 1974," S.2299, an enrolled bill

"To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes."

This Department previously endorsed H.R.11236 entitled the "Joint Funding Simplification Act of 1973" which is similar to the above bill. Therefore, the Department of Transportation endorses the enrolled bill S.2299.

Sincerely,

A handwritten signature in black ink, appearing to read "Rodney E. Eyster", is written over the typed name.

Rodney E. Eyster
General Counsel



THE GENERAL COUNSEL OF THE TREASURY
WASHINGTON, D.C. 20220

NOV 26 1974

Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Assistant Director for Legislative
Reference

Sir:

Reference is made to your request for the views of this Department on the enrolled enactment of S. 2299, "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes."

The enrolled enactment would provide authorities for the establishment of uniform technical or administrative requirements, the delegation of powers and responsibilities, and the establishment of joint management funds with respect to projects assisted under more than one Federal assistance program. Federal assistance programs would be defined to mean programs that provide assistance through grant or contractual arrangements, but not to include assistance in the form of revenue sharing, loans, loan guarantees, or insurance.

The Department would have no objection to a recommendation that the enrolled enactment be approved by the President.

Sincerely yours,


General Counsel

ACTION

WASHINGTON, D.C. 20525

November 25, 1974

Mr. W. H. Rommel
Assistant Director
for Legislative Reference
Office of Management and Budget
New Executive Office Building
Washington, D. C.

Dear Mr. Rommel:

We should like to make these comments on S. 2299, the
"Joint Funding Simplification Act of 1974."

ACTION already has authority to enter into joint funding arrangements with other Federal agencies, subject to regulations prescribed by the President. The President's authority to prescribe regulations was delegated to the General Services Administration by Executive Order 11784. No regulations have yet been issued.

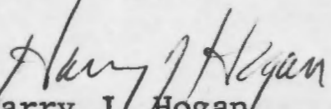
It appears from the text of S. 2299 that its provisions particularly those authorities contained in Sections 6, 7, and 8 are to be used only when the problems encountered cannot be adequately dealt with under other applicable law.

We consider that S. 2299 clarifies agency's authority to enter into joint funding arrangements and that there is no conflict between it and our present authorities to cooperate with other Federal agencies in the joint support of projects. Most important, we also interpret the bill to permit joint Federal-state funding of projects

in which the state contribution is derived from revenue sharing funds.

Accordingly, we recommend that the bill be approved.

Sincerely,


Harry J. Hogan
Assistant Director



ADVISORY
COMMISSION ON INTERGOVERNMENTAL RELATIONS
WASHINGTON, D.C. 20575
November 25, 1974

Mr. W. H. Rommel
Assistant Director
for Legislative Reference
Office of Management and Budget
Washington, D.C.

Dear Mr. Rommel:

In response to your request for the Commission's views on enrolled bill S. 2299, the "Joint Funding Simplification Act of 1974," we recommend approval.

Section 8 provides for somewhat more complex accounting procedures than we would prefer, but this is not sufficient grounds to reject this important bill.

Sincerely,

David B. Walker

David B. Walker
Assistant Director



UNITED STATES CIVIL SERVICE COMMISSION

IN REPLY PLEASE REFER TO

WASHINGTON, D.C. 20415

November 26, 1974

YOUR REFERENCE

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Ash:

On November 22, 1974, you asked for our views and recommendations on enrolled bill S. 2299, the Joint Funding Simplification Act of 1974. The U.S. Civil Service Commission supports the objectives of S. 2299 and recommends that the President sign it into law.

We note that S. 2299 does not speak to adopting uniform provisions for inconsistent or conflicting personnel requirements, as had earlier joint funding bills on which we commented. We would assume that the regulations implementing S. 2299 will cover personnel requirements and that such requirements will be subject to review and approval by the Civil Service Commission. If a merit personnel policy is a requirement for receiving funds from one of the Federal grant programs participating in a jointly funded project, it is our view that this requirement normally should apply to all of the Federal funds involved in the implementation of this specific project.

As a Federal grantor agency, we will also be interested in participating in the development of the proposed regulations as they relate to joint management funds and other provisions which may involve our participation in cooperative funding with other Federal agencies. Some of our initial concerns are that the regulations should provide (1) for the Intergovernmental Personnel Act merit principles to be upheld in any joint assistance efforts involving IPA grant funds and (2) that grant funds could not be peremptorily withdrawn for joint funding programs without the concurrence of the administering Federal agency.

By direction of the Commission.

Sincerely yours,

A handwritten signature in cursive script that reads "Robert Hampton".

Robert E. Hampton
Chairman

ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

NOV 27 1974

OFFICE OF THE
ADMINISTRATOR

Dear Mr. Ash:

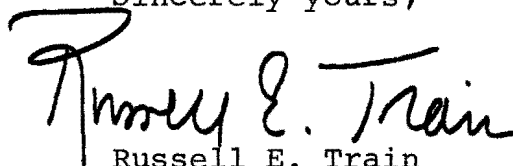
This is in response to your request of November 22, 1974 for the views of the Environmental Protection Agency on S. 2299, an enrolled bill titled the "Joint Funding Simplification Act of 1974".

The bill is primarily a management tool designed to simplify funding and other procedures in those cases where an applicant for Federal assistance receives that assistance from two or more different Federal agencies or programs within an agency. It builds upon experiments and pilot projects conducted by the Office of Management and Budget, most notably the Integrated Grant Administration Program.

The Environmental Protection Agency is already successfully utilizing the principles set forth in the bill. This is being done through the use of consolidated State grants which combine multiple EPA statutory grant authorities into a single award. We hope the Office of Management and Budget will examine our consolidated grant program before issuing guidelines or promulgating regulations under this bill.

The Environmental Protection Agency favors the bill and recommends that it be signed by the President.

Sincerely yours,



Russell E. Train
Administrator

Honorable Roy L. Ash
Director
Office of Management
and Budget
Washington, D.C. 20503



**GENERAL COUNSEL OF THE
DEPARTMENT OF COMMERCE**
Washington, D.C. 20230

NOV 27 1974

Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Ash:

This is in reply to your request for the views of this Department concerning S. 2299, an enrolled enactment

"To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes,"

to be cited as the "Joint Funding Simplification Act of 1974."

The purpose of S. 2299 is to enable applicants to use Federal assistance more effectively and efficiently through the wider use of projects drawing upon resources available from more than one Federal agency, program, or appropriation, and also to encourage the combining of State and Federal resources in support of projects of common interest.

This Department would have no objection to Presidential approval of S. 2299 which was originally introduced at the request of the Office of Management and Budget.

Enactment of this legislation is not expected to involve any increase in the budgetary requirements of this Department.

Sincerely,

Karl E. Bakke

General Counsel



THE GENERAL COUNSEL OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D. C. 20410

NOV 25 1974

Mr. Wilfred H. Rommel
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Rommel:

Subject: S. 2299, 93d Congress, Enrolled Enactment

This is in response to your request for our views on the enrolled enactment of S. 2299, the "Joint Funding Simplification Act of 1974".

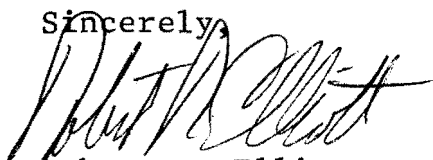
The enrolled enactment would provide a framework for uniform administrative requirements and procedures where a State or local government or a nonprofit organization applies for or receives Federal assistance under programs administered by one or several Federal agencies. It would authorize the use of joint or common application procedures and, with approval of the President, delegations of supervisory and administrative functions from one Federal agency to another. It would also provide for the establishment, pursuant to Presidentially prescribed regulations, of uniform technical or administrative requirements for projects assisted under two or more Federal programs otherwise subject to varying rules and procedures of a non-statutory nature, and for the establishment of joint management funds.

The Department of Housing and Urban Development has in the past supported proposed joint funding simplification legislation, and reported favorably on H. R. 11236 -- the predecessor bill to this enactment -- when that bill was being considered by the House Committee on Government Operations. We note that the enactment differs from H. R. 11236 in several significant respects. The enactment provides for a five year rather than a permanent authorization. It also

provides that joint management funds be separately accounted for by program and appropriation, whereas H. R. 11236 would have permitted such funds to be administered as if they were derived from a single appropriation. Unlike H. R. 11236, the enactment excludes from its coverage Federal assistance in the form of loans, loan guarantees or insurance, and requires that nongovernmental applicants be nonprofit organizations. In addition, it requires Presidential regulations to insure that projects are administered in a manner consistent with statutory requirements, while H. R. 11236 would have required such consistency only with respect to statutory requirements of a substantive nature.

We believe that H. R. 11236 would have provided a more flexible and effective approach toward joint funding and administration of related Federal projects and that the changes contained in the enactment substantially diminish that effectiveness. Nevertheless, S. 2299 does represent an effort to simplify use of Federal assistance programs, and we would have no objection to the President's approving the enactment.

Sincerely,



Robert R. Elliott



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

NOV 23 1974

Dear Mr. Ash:

This responds to your request for our views concerning S. 2299, an enrolled bill, "To provide authority to expedite procedure for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes", which is before the President for approval.

We do not object to Presidential approval of the bill.

S. 2299 is a bill, supported by the Administration, which essentially seeks to eliminate time-consuming delay and bureaucratic red tape incurred by recipients attempting to obtain Federal grants from different agencies, while in no way affecting the substantive criteria or funding discretion of each individual program. It provides for broad scale joint funding of projects which may be eligible for several different grants by authorizing the heads of Federal agencies to determine which programs may be administered on an integrated basis with related programs of other agencies. It provides that agencies may set up joint committees to review applications, as well as setting up joint funding and auditing procedures. The bill seeks to eliminate the confusion encountered by a grantee who applies to several separate agencies for related grants but must meet different administrative requirements for each. It provides that agency heads may adopt uniform provisions with regard to financial administration and other areas where common agreement among agencies is possible. The bill also authorizes joint cooperation between Federal and State agencies funding a common project. There is no additional cost to the Government inherent in this bill.

Sincerely yours,

James T. Clark
Assistant Secretary of the Interior

Honorable Roy L. Ash
Director, Office of
Management and Budget
Washington, D.C.



U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

NOV 27 1974

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Ash:

This is in response to your request for our views on S. 2299 an enrolled enactment. "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes."

It is our judgment that this bill would establish a useful legislative basis for further administrative action in the simplification of Federal assistance programs.

We have no objection to Presidential approval of this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Schultz".

for
Secretary of Labor



GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE

WASHINGTON, D. C. 20301

26 November 1974

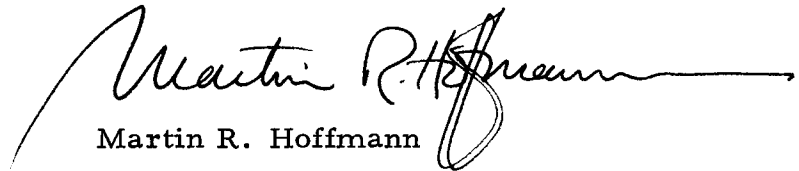
Honorable Roy L. Ash
Director, Office of Management
and Budget
Washington, D.C. 20503

Dear Mr. Ash:

Reference is made to your request for the views of the Department of Defense with respect to the enrolled enactment of S. 2299, 93d Congress, an Act "To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes."

The provisions of this enrolled enactment will not affect any program of the Department of Defense. Accordingly, this Department defers to the views of the interested Federal agencies.

Sincerely,


Martin R. Hoffmann

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

NOV 29 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill S. 2299 - Joint Funding Simplification Act of 1974
Sponsors - Sen. Muskie (D) Maine, Sen. Ervin (D) North Carolina, and Sen. Gurney (R) Florida

Last Day for Action

December 6, 1974 - Friday

Purpose

Simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

Agency Recommendations

| | |
|--|---------------------------------------|
| Office of Management and Budget | Approval |
| General Services Administration | Approval (Signing statement attached) |
| Department of Agriculture | Approval (Informally) |
| Department of Health, Education, and Welfare | Approval |
| Department of Justice | Approval |
| Department of Transportation | Approval |
| Department of the Treasury | Approval |
| ACTION | Approval |
| Advisory Commission on Intergovernmental Relations | Approval |
| Civil Service Commission | Approval |
| Environmental Protection Agency | Approval |
| Department of Commerce | No objection |
| Department of Housing and Urban Development | No objection |
| Department of the Interior | No objection |
| Department of Labor | No objection |
| Department of Defense | Defers to other agencies |

To -
Hans H. ...
11-29-74
4:10 p.m.

December 3, 1974

MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLE
SUBJECT: Enrolled Bill S. 2299 - Joint Funding
Simplification Act of 1974

Attached for your consideration is S. 2299, sponsored by Senators Muskie, Ervin and Gurney, which simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the signing statement.

RECOMMENDATION

That you sign Senate Bill S. 2299 (Tab B) and approve the proposed Presidential signing statement (Tab C).

December 3, 1974

MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLE
SUBJECT: Enrolled Bill S. 2299 - Joint Funding
Simplification Act of 1974

Attached for your consideration is S. 2299, sponsored by Senators Muskie, Ervin and Gurney, which simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the signing statement.

RECOMMENDATION

That you sign Senate Bill S. 2299 (Tab B) and approve the proposed Presidential signing statement (Tab C).

December 3, 1974

MEMORANDUM FOR **THE PRESIDENT**
FROM: **KEN COLE**
SUBJECT: **Enrolled Bill S. 2299 - Joint Funding
Simplification Act of 1974**

Attached for your consideration is S. 2299, sponsored by Senators Muskie, Ervin and Gurney, which simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the signing statement.

RECOMMENDATION

That you sign Senate Bill S. 2299 (Tab B) and approve the proposed Presidential signing statement (Tab C).

December 3, 1974

MEMORANDUM FOR THE PRESIDENT
FROM: KEN COLE
SUBJECT: Enrolled Bill S. 2299 - Joint Funding
 Simplification Act of 1974

Attached for your consideration is S. 2299, sponsored by Senators Muskie, Ervin and Gurney, which simplifies funding and administrative procedures in cases where an applicant for Federal assistance receives that assistance from more than one Federal agency, program or appropriation.

OMB recommends approval and provides you with additional background information in its enrolled bill report (Tab A).

Bill Timmons and Phil Areeda both recommend approval. Paul Theis has approved the text of the signing statement.

RECOMMENDATION

That you sign Senate Bill S. 2299 (Tab B) and approve the proposed Presidential signing statement (Tab C).

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 756

Date: November 29, 1974

Time: 5:00 p.m.

FOR ACTION: Geoff Shepard *Lynn May ok* cc (for information): Warren Hendriks
Bill Timmons *ok.* Jerry Jones
Phil Areeda *o.k.*
Paul Theis *edited*

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 3, 1974

Time: 4:00 p.m.

SUBJECT:

Enrolled Bill R. 2299 - Joint Funding Simplification Act of 1974

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 756

Date: November 29, 1974

Time: 5:00 p.m.

FOR ACTION: ~~Geoff Shepard~~ *Lynn May* cc (for information): Warren Hendriks
Bill Timmons Jerry Jones
Phil Areeda
Paul Theis

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 3, 1974 Time: 4:00 p.m.

SUBJECT: Enrolled Bill S. 2299 - Joint Funding Simplification Act of 1974

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*Recommend Approval
Schedule Proposal forwarded.
J-LM*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

THE WHITE HOUSE

WASHINGTON

December 2, 1974

MEMORANDUM FOR: MR. WARREN HENDRIKS

FROM: WILLIAM E. TIMMONS *WT*

SUBJECT: Action Memorandum - Log No. 756
Enrolled Bill S. 2299 - Joint Funding
Simplification Act of 1974

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment

Date: November 29, 1974

Time: 5:00 p.m.

FOR ACTION: Geoff Shepard
 Bill Timmons
 Phil Areeda ✓
 Paul Theis

cc (for information): Warren Hendriks
 Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 3, 1974 Time: 4:00 p.m.

SUBJECT: Enrolled Bill S. 2299 - Joint Funding Simplification
 Act of 1974

ACTION REQUESTED:

 For Necessary Action For Your Recommendations Prepare Agenda and Brief Draft Reply For Your Comments Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

*Approval
 P Areeda*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks —
 For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 756

OK/MAT

Date: November 29, 1974

Time: 5:00 p.m.

FOR ACTION: Geoff Shepard
Bill Timmons
Phil Areeda
Paul Theis

cc (for information): Warren Hendriks
Jerry Jones

gc 11/3/74

FROM THE STAFF SECRETARY

DUE: Date: Tuesday, December 3, 1974

Time: 4:00 p.m.

SUBJECT: Enrolled Bill S. 2299 - Joint Funding Simplification Act of 1974

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

Please return to Judy Johnston, Ground Floor, West Wing

1974 NOV 29 PM 8 13

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

SIGNING STATEMENT BY THE PRESIDENT ON THE
JOINT FUNDING SIMPLIFICATION ACT OF 1974

I have today signed into law the Joint Funding Simplification Act of 1974.

This is a significant ~~piece of~~ legislation. It is a further step in ~~the~~ ^{our} continuing effort to simplify and streamline grant administration. I am ~~happy to say~~ ^{pleased} that the legislation ~~has~~ had strong bipartisan support in both Houses of Congress.

The Act will simplify funding and other procedures in ~~these~~ cases where a grantee receives assistance from two or more different agencies or programs within an agency. It provides a means by which funds, procedures, and administrative requirements of related programs can be brought together simply and speedily to support a particular project or group of projects for which Federal assistance is being sought.

More specifically, it provides a basis for:

- . Meeting interrelated needs with one comprehensive plan for receiving grants from several Federal agencies through one Federal funding source. *at the same time as the*
- . Receiving Federal funds ~~in synchronization with the~~ grantee's own planning and funding cycles.
- . Simplifying and standardizing administrative requirements.
- . Simplifying paperwork and recordkeeping.
- . Reporting progress to one Federal ~~center~~ ^{agency} rather than several.
- . Replacing separate Federal agency audits with a single audit by only one agency.

The procedures which this Act provides have been tested in a number of pilot projects throughout the country with most encouraging results. Not only are the recipients of grants in a better position to apply Federal assistance more effectively, but ^{Taxpayers will be able to} ~~I think it is fair to say that we can expect more mileage from~~ each tax dollar ^{thus expended.}

~~However, we~~ ~~must not rest here.~~ ^{However,} The explosive growth of Federal grants in recent years makes it imperative that we continue an unrelenting effort towards further improvement in grant administration.



STATEMENT BY THE PRESIDENT

I have today signed into law the Joint Funding Simplification Act of 1974.

This is significant legislation. It is a further step in our continuing effort to simplify and streamline grant administration. I am pleased that the legislation had strong bipartisan support in both Houses of Congress.

The Act will simplify funding and other procedures in cases where a grantee receives assistance from two or more different agencies or programs within an agency. It provides a means by which funds, procedures and administrative requirements of related programs can be brought together simply and speedily to support a particular project or group of projects for which Federal assistance is being sought:

More specifically, it provides a basis for:

- Meeting interrelated needs with one comprehensive plan for receiving grants from several Federal agencies through one Federal funding source.
- Receiving Federal funds at the same time as the grantee's own planning and funding cycles.
- Simplifying and standardizing administrative requirements.
- Simplifying paperwork and recordkeeping.
- Reporting progress to one Federal agency rather than several.
- Replacing separate Federal agency audits with a single audit by only one agency.

The procedures which this Act provides have been tested in a number of pilot projects throughout the country with most encouraging results. Not only are the recipients of grants in a better position to apply Federal assistance

more effectively, but taxpayers will be able to expect more from each tax dollar thus expended.

However, we must not rest here. The explosive growth of Federal grants in recent years makes it imperative that we continue an unrelenting effort towards further improvement in grant administration.

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

I have today signed into law the Joint Funding Simplification Act of 1974.

This is significant legislation. It is a further step in our continuing effort to simplify and streamline grant administration. I am pleased that the legislation had strong bipartisan support in both Houses of Congress.

The Act will simplify funding and other procedures in cases where a grantee receives assistance from two or more different agencies or programs within an agency. It provides a means by which funds, procedures and administrative requirements of related programs can be brought together simply and speedily to support a particular project or group of projects for which Federal assistance is being sought:

More specifically, it provides a basis for:

- Meeting interrelated needs with one comprehensive plan for receiving grants from several Federal agencies through one Federal funding source.
- Receiving Federal funds at the same time as the grantee's own planning and funding cycles.
- Simplifying and standardizing administrative requirements.
- Simplifying paperwork and recordkeeping.
- Reporting progress to one Federal agency rather than several.
- Replacing separate Federal agency audits with a single audit by only one agency.

The procedures which this Act provides have been tested in a number of pilot projects throughout the country with most encouraging results. Not only are the recipients of grants in a better position to apply Federal assistance more effectively, but taxpayers will be able to expect more from each tax dollar thus expended.

However, we must not rest here. The explosive growth of Federal grants in recent years makes it imperative that we continue an unrelenting effort towards further improvement in grant administration.

JOINT FUNDING SIMPLIFICATION ACT OF 1974

SEPTEMBER 24, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOLIFIELD, from the Committee on Government Operations,
submitted the following

REPORT

[To accompany H.R. 16225]

The Committee on Government Operations, to whom was referred the bill (H.R. 16225) to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 2, line 6, immediately after "private" insert a comma.

On page 5, line 1, strike out "his" and insert in lieu thereof "an".

On page 5, line 7, strike out "better and".

On page 10, line 7, strike out "(c)" and insert in lieu thereof "(e)".

PURPOSE

H.R. 16225, the Joint Funding Simplification Act of 1974, is intended to permit the use of more simplified and uniform administrative rules and procedures in instances where a State or local government, or a private, nonprofit organization, wishes to develop a project for which assistance is available from two or more programs administered by one or more Federal agencies. An applicant for such assistance normally must file separate applications for each of the several programs included in the project, and the administrative rules and procedures for processing those applications may differ substantially among programs and agencies. H.R. 16225 will help to alleviate this difficulty by providing authority to expedite the consideration and approval of such projects, and by simplifying procedures for their administration after approval. For example, it will permit the use of a single application form and a comprehensive progress report instead of separate applications and reports to each participating Federal

agency, and a joint or coordinated financial audit arranged by one agency on behalf of all.

Joint funding simplification is essentially a management tool designed to facilitate the "packaging" of categorical grants so that eligible State and local governments, as well as private, nonprofit organizations, may use Federal assistance more efficiently and effectively in multiple-purpose projects that transcend categorical program boundaries.

BACKGROUND

The number of variety of grant-in-aid programs enacted by the Congress have increased greatly in recent years. Since most of these programs were devised to assist specific activities of a relatively limited scope, they cannot readily be used to support multipurpose projects that require funding from two or more programs or appropriations. Yet, State and local governments may find comprehensive projects of this kind a practical way to deliver certain public services with greater efficiency and effectiveness.

Existing Federal rules and procedures for grant programs, however, make it difficult or impossible for grantees to package and administer multipurpose projects. For example, grant programs ordinarily have differing requirements regarding application forms, accounting procedures, reporting dates, and so forth. Moreover, grantees are usually required to work with several different Federal agencies in administering their projects, and each is likely to have its own distinct administrative rules and procedures.

The need for uniform rules and procedures where multipurpose projects are involved has long been recognized, and there has been a longstanding congressional interest in legislation for this purpose.

In 1967, at the direction of President Johnson, the Bureau of the Budget, now the Office of Management and Budget, drafted a bill to facilitate the consideration, approval, and administration of jointly funded projects. An amended version of that bill passed the House in the 91st Congress, but the Senate took no action. The situation was reversed in the 92d Congress when the Senate passed a joint funding authorization as part of the Intergovernmental Cooperation Act Amendments of 1972, but the House did not act.

Early in the 93d Congress, the Director of the Office of Management and Budget transmitted to the Congress a draft bill similar to the joint funding simplification legislation previously passed at different times by the House and the Senate and urged its enactment. At the administration's request, H.R. 11236 was introduced in the House by Mr. Fountain, chairman of the Intergovernmental Relations Subcommittee. S. 2299, a similar bill introduced by Senator Muskie and several cosponsors, was passed by the Senate in November 1973.

H.R. 16225 is a clean bill introduced by Chairman Fountain and other members of the Intergovernmental Relations Subcommittee to incorporate the subcommittee's amendments to H.R. 11236. It differs from H.R. 11236 and S. 2299 in two principal respects:

1. It requires closer control of money transferred to a joint management fund to insure that appropriations are used for their intended purposes, and

2. It provides closer congressional oversight through a 5-year rather than a permanent authorization.

COMMITTEE VOTE

H.R. 16225 was adopted by the committee on September 19, 1974, by 30 ayes and none voting nay, a quorum being present.

HEARINGS

The Intergovernmental Relations Subcommittee held hearings on H.R. 11236 on January 30 and 31, 1974, as part of a broader inquiry into the administration of grant-in-aid programs under the New Federalism.¹ Testimony in support of this legislation was received from the Deputy Administrator of the General Services Administration and representatives of the Office of Management and Budget, on behalf of the administration, and from the Comptroller General of the United States. H.R. 16225 is a clean bill incorporating the subcommittee's amendments to H.R. 11236.

Statements or resolutions in support of joint funding simplification legislation have been received from the National Governors' Conference, the National League of Cities, the United States Conference of Mayors, the National Association of Counties, the Advisory Commission on Intergovernmental Relations, the American Institute of Certified Public Accountants, the American Institute of Planners, the Federal Government Accountants Association, and the Municipal Finance Officers Association, as well as from each of the Federal departments and agencies that expressed views on this measure.

SECTION-BY-SECTION ANALYSIS

Section 1 cites the short title of the act as the "Joint Funding Simplification Act of 1974."

Section 2 sets forth the purpose of the act as that of enabling applicants to use Federal assistance more effectively and efficiently through the wider use of projects drawing upon resources available from more than one Federal agency, program, or appropriation, and by combining State and Federal resources in support of projects of common interest.

Section 3(a) and section 3(b) define the responsibilities of the President and the heads of Federal agencies. Specifically, agency heads are authorized, under regulations to be prescribed by the President, to identify related programs suitable for joint funding; to develop guidelines and procedures to assist planning for such projects; to review and, where appropriate, to modify administratively established program requirements that impede support for jointly funded projects; to establish common technical or administrative rules to assist such projects; and to create joint or common procedures for processing applications and supervising project administration. Section 3(c) makes agency heads responsible for furthering the policy of joint funding

¹New Federalism (Organizational and Procedural Arrangements for Federal Grant Administration).

simplification to the maximum extent permitted under existing law, and for cooperating with other agency heads to this end.

Section 4 deals with the processing of applications, and specifies various assurances to applicants of jointly funded projects. Federal agencies are required, so far as reasonably possible, to review and process joint funding applications expeditiously; to take full account of any special timing considerations made known by the applicant; to insure that the applicant is required to deal with the minimum number of Federal representatives possible; to inform applicants promptly of decisions and any special problems with respect to their application; and to communicate directly with other involved Federal agencies on behalf of the applicant, wherever possible, in obtaining information and assurances concerning the requirements or actions of those agencies.

Section 5 authorizes Federal agency heads to use the authorities contained in sections 6, 7, and 8 of the act, pursuant to regulations adopted by the President, and specifies the substance of such regulations.

Section 6(a) authorizes the establishment of uniform requirements to deal with projects that otherwise would be subject to varying or conflicting technical or administrative provisions not otherwise required by law. To eliminate such inconsistencies or conflicts, Federal agency heads may adopt uniform provisions with regard to financial administration, including accounting, reporting and auditing, and maintaining separate bank accounts, but only to the extent consistent with the requirements of section 8; the timing of Federal payments; requirements that assistance be extended in the form of a grant rather than a contract, or vice versa; and accountability for, or the disposition of, records, property, or structures acquired or constructed with Federal assistance where common rules are to be established for the project as a whole. Section 6(b) permits the review of a project proposal by a single panel, board, or committee in lieu of separate reviews, except where the form of review is specifically required by law. Section 6(c) authorizes the waiver of requirements that a single or specific public agency be used to administer a part of the Federal assistance drawn upon by any jointly funded project where administration by another public agency is determined to be fully consistent with applicable State or local law and with the objectives of the Federal assistance program involved. Any such waiver may be exercised only upon request of the head of a unit of general government with respect to agencies under his jurisdiction, or with the agreement of the several State or local public agencies involved.

Section 7 authorizes Federal agency heads, with the approval of the President, to delegate powers and functions relating to project supervision or administration of jointly funded projects to other Federal agencies, provided that such delegations are exercised in full conformity with applicable statutory provisions and policies. Such delegations do not relieve agency heads of responsibility for the proper and efficient management of projects funded by their agencies.

Section 8(a) authorizes the creation of joint management funds for the support of jointly funded projects. Section 8(b) provides that the agency administering a joint management fund shall be responsible

and accountable by program and appropriation for the amounts provided for the purposes of each account established in the fund, and requires the return of any excess in the fund according to the applicable appropriations. Section 8(c) requires that certain prescribed records be kept by the recipient of moneys drawn from a joint management fund. Section 8(d) provides that the head of the Federal agency responsible for administering a joint management fund, and the Comptroller General, shall have access to pertinent documents and records. Section 8(e) authorizes the establishment of a single non-Federal share according to the Federal share ratios applicable to the several Federal grant programs involved in the project and the proportion of funds transferred to the project account from each of those programs.

Section 9 allows appropriations available to any Federal assistance program for technical assistance or the training of personnel to be made available for the provision of technical assistance and training in connection with projects proposed or approved for joint funding involving that program and any other Federal assistance program.

Section 10 authorizes Federal agencies to enter into agreements with States to extend the benefits of this act to projects involving assistance from one or more Federal agencies and one or more State agencies.

Section 11 requires the President to submit a comprehensive report to the Congress on the functioning of this act, including recommendations for its continuation, modification, or termination, at least 1 year prior to its expiration.

Section 12 defines certain terms used in this act.

Section 13 provides that this act shall become effective 60 days following the date of enactment, and shall expire 5 years after it becomes effective.

GENERAL STATEMENT

The committee has received no assurance from the administration that the authority provided by this legislation will be used extensively. Only 26 multipurpose projects have been supported under the pilot Integrated Grant Administration program, and a maximum of 65 such projects will be processed nationally this year. The committee has been advised that the number of projects that can be administered in future years will depend upon the capability of:

- (a) State and local applicants to organize and manage complex projects that require multi-agency funding, and
- (b) The staff experience and capability of Federal Regional Councils and participating Federal agencies in administering projects of this kind.

The committee believes that the Federal Government must give a much greater priority to encouraging broad State and local use of joint funding projects if this legislation is to be meaningful. Affirmative Federal action is especially needed if communities that do not possess the expertise to organize multipurpose projects without technical assistance are to benefit from this legislation. It is the committee's intent that the Federal Government give special attention to the needs

of smaller communities in the planning and processing of joint funding proposals.

The committee believes that one of the principal strengths of the joint funding approach is its potential for a bringing together representatives of all Federal agencies involved in a particular proposal for a coordinated review of a State or local government's total project.

While the committee believes this legislation is useful and desirable, it recognizes this is but a limited approach for dealing with the fundamental problems created by the complexity of the present Federal grant-in-aid system. Measures that have the potential for contributing more significantly to the improvement of grant-in-aid administration include the legislative consolidation of closely related categorical programs into broader-purpose grants and the placement of similar programs in a single Federal agency.

ESTIMATED COST OF LEGISLATION

The committee does not anticipate that enactment of this legislation will involve additional costs to the Federal Government, with the possible exception of modestly increased Federal manpower expenses if the program is substantially expanded. The committee has been informed that under the Integrated Grant Administration pilot projects, there was some initial increase in Federal workload which decreased considerably with subsequent experience. The administration believes, however, that there may have been sizable reductions in the administrative costs of grantees participating in the pilot projects. One of the purposes of this legislation is to promote economies in administrative management through the standardization and simplification of program requirements.

CHANGES IN EXISTING LAW

This act neither amends nor repeals any existing law.

EXPLANATION OF AMENDMENTS

The amendments are technical in nature and are intended to correct errors in the printed bill.



Calendar No. 480

93d Congress
1st Session

SENATE

Report
No. 93-606

JOINT FUNDING SIMPLIFICATION ACT OF 1973

NOVEMBER 15, 1973.—Ordered to be printed

Mr. MUSKIE, from the Committee on Government Operations,
submitted the following

REPORT

[To accompany S. 2299]

The Committee on Government Operations, to which was referred the bill (S. 2299) to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program and to simplify requirements for operation of those projects, having considered the same, reports favorably thereon, with amendments and recommends that the bill, as amended, do pass.

The amendments are as follows:

On page 5, line 1, following the word "sections", add "6,".

On page 8, line 11, strike "advanced" and insert in lieu thereof "transferred".

PURPOSE

S. 2299, the Joint Funding Simplification Act of 1973, is primarily a management tool designed to help eliminate some of the red tape and duplication in our present categorical grant-in-aid system. It would simplify funding and other procedures in those cases where an applicant for Federal assistance receives that assistance from two or more different Federal agencies or programs within an agency. It builds on experiments and pilot projects conducted by the Office of Management and Budget during the past several years, most notably the Integrated Grant Administration Program, which is directed toward coordinating grants from several different Federal sources. S. 2299 would not, however, affect the substance of existing grant programs.



BACKGROUND

Congressional efforts to enact joint funding simplification have an extensive history. As long ago as the 91st Congress, Senator Muskie introduced S. 2479, the Intergovernmental Cooperation Act of 1969, which included a joint funding title. Following four days of hearings on that bill, the Subcommittee on Intergovernmental Relations favorably reported the legislation to the full Committee. Because of the press of other business, however, the full Government Operations Committee did not consider S. 2479.

The Intergovernmental Cooperation Act Amendments of 1972, S. 3140, also included a joint funding simplification title (Title III). This bill passed the Senate after 2 days of hearings in 1972.

In the 91st Congress the House of Representatives passed a joint funding bill, the language of which was similar to the language contained in S. 2299.

The history of these legislative efforts to enact joint funding simplification is entirely bipartisan. S. 2299 is no exception. The bill was requested by the Administration and introduced in the Senate on July 31, 1973, by Senator Muskie, with Senator Ervin and Senator Gurney as cosponsors.

S. 2299 is fashioned by the experience gained by the Office of Management and Budget over the past several years with the Integrated Grant Administration Program. The President's Fiscal Year 1974 Special Budget Analysis indicated that joint funding was a necessary part of the reform of the grant system. More recently, the Comptroller General, in a report to Congress dealing with Labor Department grants to the States, recommended that the Congress consider some form of joint funding legislation.

Dwight A. Ink, Deputy Administrator of GSA, summed up the reasons why this legislation is necessary:

The need for legislation of this kind stems from the rapid, indeed explosive, growth of Federal grant-in-aid programs, especially during the '60s. Each of these programs, considered on its own terms, could be justified as a reasonable attempt to use Federal dollars to help solve a problem or meet a particular need of national importance. Each such program brought with it its own set of administrative requirements, limitations, and administrative procedures, designed independently of other programs * * * As programs grew in size, number, and complexity, it became increasingly difficult for a grantee to meet the different requirements, and to administer programs as a coherent, effective response to the problems they were intended to ameliorate. The result was confusion, duplication, fragmentation, and losses in efficiency of operation.

Mr. Ink said the Administration's experience with the experimental Integrated Grant Administration Program convinced him again of the need for joint funding legislation:

* * * the experience gained through the conduct of the IGA Program has convinced us that permanent legislative authority for joint funding is necessary, if we are to expand beyond

a pilot operation. We regard congressional endorsement and support as desirable, since we find it somewhat difficult and time-consuming to bring together resources from different programs to meet the related needs of grant recipients, when we must rely on individual agency authorities.

The committee shares the belief that legislative authorization for broad-scale joint funding is desirable at this time. The committee also believes that S. 2299 can be a useful step in simplifying and rationalizing the maze of Federal grants in related program areas.

The Joint Funding Simplification Act of 1973 is a logical extension of the philosophy and principles embodied in the Intergovernmental Cooperation Act of 1968. It is the opinion of the committee that the provisions of that Act should apply to any jointly funded projects, including construction projects, authorized pursuant to S. 2299.

HEARINGS

The Subcommittee on Intergovernmental Relations held a hearing on S. 2299 on September 11, 1973. Dwight A. Ink, Deputy Administrator of the General Services Administration, presented the Administration's views in support of the bill.

Statements in support of S. 2299 were received from William R. MacDougall, Executive Director of the Advisory Commission on Intergovernmental Relations; Allen E. Pritchard, Jr., and John J. Gunther, representing the National League of Cities-U.S. Conference of Mayors; Harry Levine, President, Federal Government Accountants Association; and others.

In addition, comments on the bill were received from Paul G. Dembling, General Counsel of the General Accounting Office.

ANALYSIS OF THE BILL

Section 2 sets forth the purposes of the legislation. In implementing joint funding simplification, Federal agencies are encouraged to consider the use of joint auditing as a means to further the purposes of this Act.

Section 3 of the bill defines the responsibilities of the heads of Federal agencies in implementing joint funding simplification. Specifically, agency heads are authorized, by internal agency order or interagency agreement, to identify those related programs suitable for joint funding; to develop guidelines for model projects, joint or common application forms; to review and modify program requirements that may impede joint support of projects; to establish common technical or administrative rules to assist in the joint use of funds; and to create joint or common application processing and project supervision procedures for designating lead agencies to process applications and managing agencies for project supervision of jointly funded projects.

The committee notes with approval the Administration's assurances that the identity, purpose and criterion for eligibility of existing grant programs will not be changed by this legislation, and the committee intends to continue to assure itself that the substance of existing grant

programs is not materially changed in the future as a result of this Act.

Section 4 of S. 2299 deals with application processing and spells out various assurances to applicants for jointly funded projects.

Federal agencies processing joint funding applications are charged to process applications expeditiously; to take full account of any special timing considerations; to assure that the applicant is required to deal with a minimum of Federal representatives; to inform applicants promptly of any special problems involved with their applications; and to communicate directly whenever possible with other involved Federal agencies in obtaining information and assurances concerning application requirements.

The committee has long been concerned with finding ways and means to eliminate some of the time-consuming and frustrating delays experienced by many applicants for Federal assistance. The committee has noted various administrative steps taken in the past several years to reduce red tape and hopes that the program administrators involved in joint funding programs will imaginatively and vigorously implement the directive spelled out in Section 4.

Section 5 authorizes Federal agency heads to use the authorities described in Sections 6, 7 and 8 of the bill (relating to the establishment of uniform technical or administrative requirements, delegation of powers and responsibilities and establishment of joint management funds), with respect to jointly funded projects.

Section 6 deals with the establishment of uniform technical or administrative requirements to provide for projects that otherwise would be subject to varying or conflicting technical or administrative provisions of law. To eliminate such inconsistencies or conflicts, Federal agency heads may adopt uniform provisions with regard to and including financial administration, including accounting, reporting and auditing, and maintaining separate bank accounts; the timing of Federal payments; requirements that assistance be extended in the form of a grant rather than a contract, or vice versa; accountability for, or disposition of, property or structures acquired or constructed with Federal assistance where common rules are to be established for the project as a whole.

Federal agency heads may provide for review of proposals by a single panel, board or committee. They may also waive requirements that a single or specific public agency be used to administer a part of the Federal assistance drawn upon by any jointly funded project. This waiver, however, may be exercised only upon the request of the head of a unit of general government with respect to agencies under his jurisdiction, or with the agreement of the several State or local public agencies involved.

Section 7 authorizes Federal agency heads, with the approval of the President, to delegate powers to other Federal agencies to supervise or administer projects or classes of projects subject to this Act.

Section 8 deals with funding arrangements and procedures, specifically the establishment of joint management funds to carry out the purposes of this Act. In commenting on this section for the Comptroller General, Paul G. Dembling, General Counsel of the GAO wrote:

* * * section 8 authorizes the establishment of joint management funds for projects financed from more than one Fed-

eral program or appropriations. The moneys therefor are to be advanced from each affected appropriation in a share proportionate to its participation in the project. However, excess amounts remaining in the joint management fund account may be returned to the participating Federal agencies in accordance with a formula mutually acceptable to them. The committee may wish to consider the extent to which this procedure might reduce congressional control over the appropriations for the individual programs.

The committee wishes to reiterate its determination that enactment of S. 2299 will not affect the substance or appropriations of any Federal grant program. Specifically, in working out mutually acceptable formulae for the return of any unspent funds remaining in joint management funds, agency heads are expected not to alter, in any way, the proportions received under any one Federal program or appropriation.

Section 9 authorizes the use of Federal technical assistance or personnel training appropriations for joint funding programs. It also authorizes Federal personnel to be detailed to other Federal agencies, as necessary, to facilitate in the processing of joint funding applications or in the administration of approved projects.

Section 10 of S. 2299 authorizes Federal agencies to enter into agreements with States or State agencies to extend the benefits of the Act to projects involving assistance from one or more Federal agencies and one or more State agencies.

The committee anticipates that such cooperative Federal-State agreements may be used to provide assistance to counties, cities and other units of general local government, where such assistance includes State participation.

Section 11 delegates to the President the authority to prescribe procedures and promulgate rules to carry out the purposes of this Act. He may require Federal agencies to secure the views and recommendations of non-Federal agencies, including units of general government, that may be significantly affected by jointly funded projects and to resolve questions of common interest to those agencies prior to submission of any application.

The President is also directed to report to the Congress "from time to time" on implementation of this Act. The committee expects that such reports will be transmitted on a yearly basis.

Section 12 contains definitions.

Section 13 provides that this Act shall become effective 60 days following the date of enactment.

EXPLANATION OF AMENDMENTS

Both amendments to the bill, as introduced, are technical in nature and were added at the request of the Administration.

ROLLCALL VOTE

FINAL PASSAGE: Ordered reported: 9 yeas—0 nays.

Yeas:

Ervin
Muskie
Allen
Chiles
Nunn
Percy
Javits
Roth
Brock
(Proxy)
Ribicoff
Metcalf

Nays:

None

ESTIMATED COST OF LEGISLATION

The committee does not anticipate that enactment of this legislation will involve any additional cost to the Federal Government.

CHANGES IN EXISTING LAW

This bill neither amends nor repeals existing law.

○

JOINT FUNDING SIMPLIFICATION ACT OF 1974

SEPTEMBER 24, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOLIFIELD, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H.R. 16225]

The Committee on Government Operations, to whom was referred the bill (H.R. 16225) to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 2, line 6, immediately after "private" insert a comma.

On page 5, line 1, strike out "his" and insert in lieu thereof "an".

On page 5, line 7, strike out "better and".

On page 10, line 7, strike out "(c)" and insert in lieu thereof "(e)".

PURPOSE

H.R. 16225, the Joint Funding Simplification Act of 1974, is intended to permit the use of more simplified and uniform administrative rules and procedures in instances where a State or local government, or a private, nonprofit organization, wishes to develop a project for which assistance is available from two or more programs administered by one or more Federal agencies. An applicant for such assistance normally must file separate applications for each of the several programs included in the project, and the administrative rules and procedures for processing those applications may differ substantially among programs and agencies. H.R. 16225 will help to alleviate this difficulty by providing authority to expedite the consideration and approval of such projects, and by simplifying procedures for their administration after approval. For example, it will permit the use of a single application form and a comprehensive progress report instead of separate applications and reports to each participating Federal

agency, and a joint or coordinated financial audit arranged by one agency on behalf of all.

Joint funding simplification is essentially a management tool designed to facilitate the "packaging" of categorical grants so that eligible State and local governments, as well as private, nonprofit organizations, may use Federal assistance more efficiently and effectively in multiple-purpose projects that transcend categorical program boundaries.

BACKGROUND

The number of variety of grant-in-aid programs enacted by the Congress have increased greatly in recent years. Since most of these programs were devised to assist specific activities of a relatively limited scope, they cannot readily be used to support multipurpose projects that require funding from two or more programs or appropriations. Yet, State and local governments may find comprehensive projects of this kind a practical way to deliver certain public services with greater efficiency and effectiveness.

Existing Federal rules and procedures for grant programs, however, make it difficult or impossible for grantees to package and administer multipurpose projects. For example, grant programs ordinarily have differing requirements regarding application forms, accounting procedures, reporting dates, and so forth. Moreover, grantees are usually required to work with several different Federal agencies in administering their projects, and each is likely to have its own distinct administrative rules and procedures.

The need for uniform rules and procedures where multipurpose projects are involved has long been recognized, and there has been a longstanding congressional interest in legislation for this purpose.

In 1967, at the direction of President Johnson, the Bureau of the Budget, now the Office of Management and Budget, drafted a bill to facilitate the consideration, approval, and administration of jointly funded projects. An amended version of that bill passed the House in the 91st Congress, but the Senate took no action. The situation was reversed in the 92d Congress when the Senate passed a joint funding authorization as part of the Intergovernmental Cooperation Act Amendments of 1972, but the House did not act.

Early in the 93d Congress, the Director of the Office of Management and Budget transmitted to the Congress a draft bill similar to the joint funding simplification legislation previously passed at different times by the House and the Senate and urged its enactment. At the administration's request, H.R. 11236 was introduced in the House by Mr. Fountain, chairman of the Intergovernmental Relations Subcommittee. S. 2299, a similar bill introduced by Senator Muskie and several cosponsors, was passed by the Senate in November 1973.

H.R. 16225 is a clean bill introduced by Chairman Fountain and other members of the Intergovernmental Relations Subcommittee to incorporate the subcommittee's amendments to H.R. 11236. It differs from H.R. 11236 and S. 2299 in two principal respects:

1. It requires closer control of money transferred to a joint management fund to insure that appropriations are used for their intended purposes, and

2. It provides closer congressional oversight through a 5-year rather than a permanent authorization.

COMMITTEE VOTE

H.R. 16225 was adopted by the committee on September 19, 1974, by 30 ayes and none voting nay, a quorum being present.

HEARINGS

The Intergovernmental Relations Subcommittee held hearings on H.R. 11236 on January 30 and 31, 1974, as part of a broader inquiry into the administration of grant-in-aid programs under the New Federalism.¹ Testimony in support of this legislation was received from the Deputy Administrator of the General Services Administration and representatives of the Office of Management and Budget, on behalf of the administration, and from the Comptroller General of the United States. H.R. 16225 is a clean bill incorporating the subcommittee's amendments to H.R. 11236.

Statements or resolutions in support of joint funding simplification legislation have been received from the National Governors' Conference, the National League of Cities, the United States Conference of Mayors, the National Association of Counties, the Advisory Commission on Intergovernmental Relations, the American Institute of Certified Public Accountants, the American Institute of Planners, the Federal Government Accountants Association, and the Municipal Finance Officers Association, as well as from each of the Federal departments and agencies that expressed views on this measure.

SECTION-BY-SECTION ANALYSIS

Section 1 cites the short title of the act as the "Joint Funding Simplification Act of 1974."

Section 2 sets forth the purpose of the act as that of enabling applicants to use Federal assistance more effectively and efficiently through the wider use of projects drawing upon resources available from more than one Federal agency, program, or appropriation, and by combining State and Federal resources in support of projects of common interest.

Section 3(a) and section 3(b) define the responsibilities of the President and the heads of Federal agencies. Specifically, agency heads are authorized, under regulations to be prescribed by the President, to identify related programs suitable for joint funding; to develop guidelines and procedures to assist planning for such projects; to review and, where appropriate, to modify administratively established program requirements that impede support for jointly funded projects; to establish common technical or administrative rules to assist such projects; and to create joint or common procedures for processing applications and supervising project administration. Section 3(c) makes agency heads responsible for furthering the policy of joint funding

¹New Federalism (Organizational and Procedural Arrangements for Federal Grant Administration).

simplification to the maximum extent permitted under existing law, and for cooperating with other agency heads to this end.

Section 4 deals with the processing of applications, and specifies various assurances to applicants of jointly funded projects. Federal agencies are required, so far as reasonably possible, to review and process joint funding applications expeditiously; to take full account of any special timing considerations made known by the applicant; to insure that the applicant is required to deal with the minimum number of Federal representatives possible; to inform applicants promptly of decisions and any special problems with respect to their application; and to communicate directly with other involved Federal agencies on behalf of the applicant, wherever possible, in obtaining information and assurances concerning the requirements or actions of those agencies.

Section 5 authorizes Federal agency heads to use the authorities contained in sections 6, 7, and 8 of the act, pursuant to regulations adopted by the President, and specifies the substance of such regulations.

Section 6(a) authorizes the establishment of uniform requirements to deal with projects that otherwise would be subject to varying or conflicting technical or administrative provisions not otherwise required by law. To eliminate such inconsistencies or conflicts, Federal agency heads may adopt uniform provisions with regard to financial administration, including accounting, reporting and auditing, and maintaining separate bank accounts, but only to the extent consistent with the requirements of section 8; the timing of Federal payments; requirements that assistance be extended in the form of a grant rather than a contract, or vice versa; and accountability for, or the disposition of, records, property, or structures acquired or constructed with Federal assistance where common rules are to be established for the project as a whole. Section 6(b) permits the review of a project proposal by a single panel, board, or committee in lieu of separate reviews, except where the form of review is specifically required by law. Section 6(c) authorizes the waiver of requirements that a single or specific public agency be used to administer a part of the Federal assistance drawn upon by any jointly funded project where administration by another public agency is determined to be fully consistent with applicable State or local law and with the objectives of the Federal assistance program involved. Any such waiver may be exercised only upon request of the head of a unit of general government with respect to agencies under his jurisdiction, or with the agreement of the several State or local public agencies involved.

Section 7 authorizes Federal agency heads, with the approval of the President, to delegate powers and functions relating to project supervision or administration of jointly funded projects to other Federal agencies, provided that such delegations are exercised in full conformity with applicable statutory provisions and policies. Such delegations do not relieve agency heads of responsibility for the proper and efficient management of projects funded by their agencies.

Section 8(a) authorizes the creation of joint management funds for the support of jointly funded projects. Section 8(b) provides that the agency administering a joint management fund shall be responsible

and accountable by program and appropriation for the amounts provided for the purposes of each account established in the fund, and requires the return of any excess in the fund according to the applicable appropriations. Section 8(c) requires that certain prescribed records be kept by the recipient of moneys drawn from a joint management fund. Section 8(d) provides that the head of the Federal agency responsible for administering a joint management fund, and the Comptroller General, shall have access to pertinent documents and records. Section 8(e) authorizes the establishment of a single non-Federal share according to the Federal share ratios applicable to the several Federal grant programs involved in the project and the proportion of funds transferred to the project account from each of those programs.

Section 9 allows appropriations available to any Federal assistance program for technical assistance or the training of personnel to be made available for the provision of technical assistance and training in connection with projects proposed or approved for joint funding involving that program and any other Federal assistance program.

Section 10 authorizes Federal agencies to enter into agreements with States to extend the benefits of this act to projects involving assistance from one or more Federal agencies and one or more State agencies.

Section 11 requires the President to submit a comprehensive report to the Congress on the functioning of this act, including recommendations for its continuation, modification, or termination, at least 1 year prior to its expiration.

Section 12 defines certain terms used in this act.

Section 13 provides that this act shall become effective 60 days following the date of enactment, and shall expire 5 years after it becomes effective.

GENERAL STATEMENT

The committee has received no assurance from the administration that the authority provided by this legislation will be used extensively. Only 26 multipurpose projects have been supported under the pilot Integrated Grant Administration program, and a maximum of 65 such projects will be processed nationally this year. The committee has been advised that the number of projects that can be administered in future years will depend upon the capability of:

(a) State and local applicants to organize and manage complex projects that require multi-agency funding, and

(b) The staff experience and capability of Federal Regional Councils and participating Federal agencies in administering projects of this kind.

The committee believes that the Federal Government must give a much greater priority to encouraging broad State and local use of joint funding projects if this legislation is to be meaningful. Affirmative Federal action is especially needed if communities that do not possess the expertise to organize multipurpose projects without technical assistance are to benefit from this legislation. It is the committee's intent that the Federal Government give special attention to the needs

of smaller communities in the planning and processing of joint funding proposals.

The committee believes that one of the principal strengths of the joint funding approach is its potential for a bringing together representatives of all Federal agencies involved in a particular proposal for a coordinated review of a State or local government's total project.

While the committee believes this legislation is useful and desirable, it recognizes this is but a limited approach for dealing with the fundamental problems created by the complexity of the present Federal grant-in-aid system. Measures that have the potential for contributing more significantly to the improvement of grant-in-aid administration include the legislative consolidation of closely related categorical programs into broader-purpose grants and the placement of similar programs in a single Federal agency.

ESTIMATED COST OF LEGISLATION

The committee does not anticipate that enactment of this legislation will involve additional costs to the Federal Government, with the possible exception of modestly increased Federal manpower expenses if the program is substantially expanded. The committee has been informed that under the Integrated Grant Administration pilot projects, there was some initial increase in Federal workload which decreased considerably with subsequent experience. The administration believes, however, that there may have been sizable reductions in the administrative costs of grantees participating in the pilot projects. One of the purposes of this legislation is to promote economies in administrative management through the standardization and simplification of program requirements.

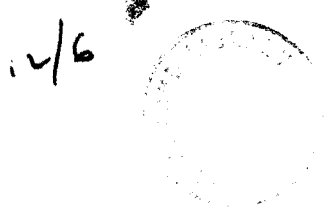
CHANGES IN EXISTING LAW

This act neither amends nor repeals any existing law.

EXPLANATION OF AMENDMENTS

The amendments are technical in nature and are intended to correct errors in the printed bill.





Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, 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 "Joint Funding Simplification Act of 1974".

PURPOSE

SEC. 2. The purpose of this Act is to enable State and local governments and private, nonprofit organizations to use Federal assistance more effectively and efficiently, and to adapt that assistance more readily to their particular needs through the wider use of projects drawing upon resources available from more than one Federal agency, program, or appropriation. It is the further purpose of this Act to encourage Federal-State arrangements under which local governments and private, nonprofit organizations may more effectively and efficiently combine State and Federal resources in support of projects of common interest to the governments and organizations concerned.

BASIC RESPONSIBILITIES OF THE PRESIDENT AND HEADS OF FEDERAL AGENCIES

SEC. 3. (a) The President shall promulgate such regulations as may be necessary or appropriate to assure that this Act is applied by all Federal agencies in a consistent manner and in accordance with its purposes. He may, for this purpose, require that Federal agencies adopt or prescribe procedures that will assure that applicants for assistance to projects funded pursuant to the provisions of this Act make appropriate efforts (1) to secure the views and recommendations of non-Federal agencies that may be significantly affected by such projects, and (2) to resolve questions of common interest to those agencies prior to submission of any application.

(b) Subject to such regulations as the President may prescribe, and to other applicable law, the heads of Federal agencies, by internal agency order or interagency agreement, may take the following actions:

(1) Identification of related programs likely to be particularly suitable or appropriate for providing joint support for specific kinds of projects thereunder.

(2) Development and promulgation of guidelines, model or illustrative projects, joint or common application forms, and other material or guidance to assist in the planning and development of projects drawing support from different programs.

(3) Review of administratively established program requirements in order to determine which of those requirements may impede joint support of projects thereunder and the extent to which such requirements may be modified, making such modifications where appropriate.

(4) Establishment of common technical or administrative rules with respect to related programs to assist in the joint use of funds in the support of specific projects or classes of projects under such programs.

(5) Creation of joint or common application processing and project supervision procedures or mechanisms including procedures for designating lead agencies to assume responsibilities for processing applications on behalf of several agencies and for designation of managing agencies to assume responsibilities for project supervision on behalf of several agencies.

(c) The head of each Federal agency shall be responsible for taking actions, to the maximum extent permitted under applicable law, that will further the purpose of this Act with respect to Federal assistance programs administered by his agency. Each Federal agency head shall also consult and cooperate with the heads of other Federal agencies in order similarly to promote the purposes of this Act with respect to Federal assistance programs of different agencies that may be used jointly in support of projects undertaken by State or local governments, or private, nonprofit organizations.

APPLICATION PROCESSING

SEC. 4. Actions taken by Federal agency heads pursuant to this Act that relate to the processing of applications or requests for assistance under two or more Federal programs in support of any project shall be designed to assure, so far as reasonably possible, that (1) all required reviews and approvals are handled expeditiously; (2) full account is taken of any special considerations of timing that are made known by the applicant that would affect the feasibility of a jointly funded project; (3) the applicant is required to deal with a minimum number of Federal representatives, acting separately or as a common board or panel; (4) the applicant is promptly informed of decisions with respect to an application and of any special problems or impediments that may affect the feasibility of Federal provision of assistance on a joint basis; and (5) the applicant is not required by representatives of any one Federal agency or program to obtain information or assurances concerning the requirements or actions of another Federal agency that could more appropriately be secured through direct communication among the Federal agencies involved.

SPECIAL AUTHORITIES—BASIC CONDITIONS

SEC. 5. Where appropriate to further the purposes of this Act, and subject to the conditions prescribed in this section, heads of Federal agencies may use the authorities described in sections 6, 7, and 8 (relating to the establishment of uniform technical or administrative requirements, delegation of powers and responsibilities, and establishment of joint management funds) with respect to projects assisted under more than one Federal assistance program. These authorities shall be exercised only pursuant to regulations prescribed by the President. Those regulations shall include criteria or procedures to assure that the authorities are limited in use to problems that cannot be adequately dealt with through other actions pursuant to this Act or other applicable law, that they are applied only as necessary to promote expeditious processing of applications or effective and efficient administration of projects, and that they are applied in a manner consistent with the protection of the Federal interest and with program purposes and statutory requirements.

ESTABLISHMENT OF UNIFORM TECHNICAL OR ADMINISTRATIVE
REQUIREMENTS

SEC. 6. (a) In order to provide for projects that would otherwise be subject to varying or conflicting technical or administrative rules and procedures not required by law, the heads of Federal agencies may adopt uniform provisions with respect to—

(1) inconsistent or conflicting requirements relating to financial administration of such projects, including accounting, reporting and auditing, and maintaining separate bank accounts, but only to the extent consistent with the requirements of section 8;

(2) inconsistent or conflicting requirements relating to the timing of Federal payments for such projects where a single or combined schedule is to be established for the project as a whole;

(3) inconsistent or conflicting requirements that assistance be extended in the form of a grant rather than a contract, or a contract rather than a grant; and

(4) inconsistent or conflicting requirements relating to accountability for, or the disposition of, records, property, or structures acquired or constructed with Federal assistance where common rules are established for the project as a whole.

(b) In order to permit processing of applications in accordance with the purposes of this Act, Federal agency heads may provide for review of proposals for projects by a single panel, board, or committee in lieu of review by separate panels, boards, or committees except when such review is specifically required by law.

(c) In promoting the more effective and efficient use of Federal assistance resources, Federal agency heads may waive requirements that a single or specific public agency be utilized or designated to receive, supervise, or otherwise administer a part of the Federal assistance drawn upon by any jointly funded project to the extent that administration by another public agency is determined to be fully consistent with applicable State or local law and with the objectives of the Federal assistance program involved. This authority may be exercised only (1) upon request of the head of a unit of general government, with respect to agencies that he certifies to be under his jurisdiction, or (2) with the agreement of the several State or local public agencies concerned.

DELEGATION OF POWERS

SEC. 7. With the approval of the President, agency heads may delegate to other Federal agencies powers and functions relating to the supervision or administration of Federal assistance, or otherwise arrange for other agencies to perform such activities, with respect to projects or classes of projects funded under the terms of this Act. Delegations under this section shall be made only on such conditions as may be appropriate to assure that the powers and functions delegated are exercised in full conformity with applicable statutory provisions and policies, and shall not relieve agency heads of responsibility for the proper and efficient management of projects funded by their agencies.

FUNDING ARRANGEMENTS AND PROCEDURES

SEC. 8. (a) In order to provide for the more effective administration of funds drawn from more than one Federal program or appropriation in support of projects under this Act, there may be established joint management funds with respect to such projects. There shall be trans-

ferred to the joint management fund from each affected program or appropriation, from time to time, its proportionate share of amounts needed for payment to the grantee. Any unexpended amounts shall be returned to the joint management fund by the grantee at the completion of the project.

(b) Any account in a joint management fund shall be subject to such agreements, not inconsistent with this section and other applicable law, as may be entered into by the Federal agencies concerned with respect to the discharge of the responsibilities of those agencies and shall assure the availability of necessary information to those agencies and to the Congress. These agreements shall also provide that the agency administering a joint management fund shall be responsible and accountable by program and appropriation for the amounts provided for the purposes of each account established in the fund; and shall include procedures for determining, from time to time, whether amounts in the account are in excess of the amounts required, and for returning that excess to the participating Federal agencies according to the applicable appropriations, subject to fiscal year limitations. Excess amounts applicable to expired appropriations will be lapsed from that fund.

(c) For each project financed through an account in a joint management fund established pursuant to this section, the recipients of moneys drawn from the fund shall keep such records as the head of the Federal agency responsible for administering the fund will prescribe. Such records shall, as a minimum, fully disclose the amount and disposition by such recipient of Federal assistance received under each program and appropriation, the total cost of the project in connection with which such Federal assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(d) The head of the Federal agency responsible for administering such joint management fund and the Comptroller General of the United States or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the moneys received from such fund.

(e) In the case of any project covered in a joint management fund, a single non-Federal share may be established according to the Federal share ratios applicable to the several Federal assistance programs involved and the proportion of funds transferred to the project account from each of those programs.

AUXILIARY PROVISIONS

SEC. 9. Appropriations available to any Federal assistance program for technical assistance or the training of personnel may be made available for the provision of technical assistance and training in connection with projects proposed or approved for joint funding involving that program and any other Federal assistance program.

FEDERAL-STATE ASSISTANCE AND AGREEMENTS

SEC. 10. Subject to such regulations as the President may prescribe, Federal agencies may enter into agreements with States as appropriate to extend the benefits of this Act to projects involving assistance from one or more Federal agencies and one or more State agencies. These agreements may include arrangements for the processing of requests for, or the administration of, assistance to such projects on a joint basis.

REPORTING

SEC. 11. At least one year prior to the expiration of this Act, the President shall submit a comprehensive report to the Congress on actions taken under this Act, and make recommendations for its continuation, modification, or termination. The report shall provide a detailed evaluation of the functioning of this Act, including information regarding the benefits and costs of jointly funded projects accruing to the participating State and local governments and private, nonprofit organizations, and to the Federal Government.

DEFINITIONS

SEC. 12. As used in this Act—

(1) the term "Federal assistance programs" means programs that provide assistance through grant or contractual arrangements, but does not include assistance in the form of revenue sharing, loans, loan guarantees, or insurance;

(2) the term "applicant" means any State or local government or private, nonprofit organization acting separately or together in seeking assistance with respect to a single project;

(3) the term "project" means any undertaking, whether of a temporary or continuing nature that includes components proposed or approved for assistance under more than one Federal program, or one or more Federal and one or more State programs, if each of those components contributes materially to the accomplishment of a single purpose or closely related purposes;

(4) the term "Federal agency" means any agency, department, corporation, independent establishment, or other entity of the executive branch of the Government of the United States;

(5) the term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, and any tribe as defined in section 3(c) of the Indian Financing Act (88 Stat. 77);

(6) the term "local government" means a local unit of government including a city, county, parish, town, township, village, school district, council of governments, or other agency or instrumentality of a local unit of government.

EFFECTIVE DATE AND EXPIRATION

SEC. 13. This Act shall become effective sixty days following the date of enactment, and shall expire five years following the date upon which it becomes effective; except that the expiration of this Act shall not affect the status of any project approved prior to the date of such expiration.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

November 25, 1974

Dear Mr. Director:

The following bills were received at the White House on November 25th:

S. 386
S. 1064
S. 2299

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.