

# THE URBAN COALITION ACTION COUNCIL

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## WEEKLY LEGISLATIVE REPORT

Housing Funds. Disappointing news came out of the conference of House and Senate Appropriations Committee members that reached a decision on HUD appropriations September 18. The Senate had approved much more generous funds than the House, but in conference the Senate gave in to a large extent and the final figures were barely above the original House appropriations.

	Last Year's Appropriation	Fiscal 1969 Budget	Amount Approved	Below Budget
(in millions of dollars)				
Urban Renewal (Fiscal 1970)	\$750.	\$1,400.	\$750.	- \$650.
Urban Planning	45.	55.	43.8	- 11.2
Model Cities	312.	1,000.	625.	- 375.
(Program Grants)	(212)	(500)	(312.5)	(-187.5)
(Urban Renewal)	(100)	(500)	(312.5)	(-187.5)
Urban Research	10.	20.	11.	- 9.
Urban Information, Tech. Assistance	2.2	5.	0	- 5.
Rent Supplement Contract Authority	10.	65.	30.	- 35.
Fair Housing	--	11.1	0	- 11.1

The National League of Cities protested to Congress September 19 that the cuts in housing funds were "incomprehensible," but the House accepted the conference recommendations without dissent. The Senate also is expected to accept the figures next week.

Despite the fact that the fair housing law was enacted only last April, the Appropriations Committees said HUD and



other agencies already had enough personnel working on civil rights activities. The civil rights-fair housing law made HUD responsible for administering the fair housing requirements, which are to apply to all housing except single-family homes by the end of 1968. One year later, most single-family housing also will be covered.

Report on the Cities and Federal-State Financing. A major, two-volume report on the problems of the cities and federal aid to states and local governments was released September 19. It was issued by the Advisory Commission on Intergovernmental Relations, a bipartisan, high-level group whose membership includes governors, mayors, federal cabinet members and Congressmen, state legislators, elected county officials and private citizens.

In-depth case studies were made of 12 central cities and their surrounding areas. Among the findings were:

Tax burdens are growing faster in central cities than in their suburbs.

Local taxes in central cities, measured against personal income, average more than one-third higher than suburban taxes.

Suburbs spend \$135 more per school child than do central cities, but the cities spend \$100 more per capita than do suburbs for such services as police and fire protection and sanitation.

The report found an untapped potential of \$20 billion annually in state and local taxes and the Commission emphasized that all states need both a strong sales tax and a strong income tax. Proposals for reform of state and local tax systems, particularly the property tax, were spelled out.

Sharing by the Federal Government of some of its tax revenues with the states, on a per capita basis adjusted for variations in the states' own tax efforts, was recommended, but only as part of a revised system of federal grants. The Commission proposed that grants for broad functions replace the current system of parceling out money for special, limited programs. It said the present federal aid system was suffering from a progressive "hardening of the categories." But a few areas of nationwide concern, such as pollution, should continue to receive earmarked funds (so-called categorical grants).

Single copies of the report can be ordered from the Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575.

Public Service Employment. Senate action has again been postponed on the Public Service Employment amendment that Senators Clark, Javits and Prouty hoped to present. The bill to which the amendment was to be offered -- an extension of a minor part of the Manpower Development and Training Act (S. 2938) -- may not be called up for Senate action at all this year. The major sections of MDTA do not expire until next year.

Education, Labor and Antipoverty Funds. Final figures for education, manpower training and antipoverty program appropriations are not yet settled. Members of the House and Senate Appropriations Committees have had one conference on the Labor-HEW bill and will meet again September 26. For differences between the original House and Senate appropriations, see Appendix B of the September 13 Action Council Legislative Report.