

DRAFT

MEMORANDUM FOR THE CHAIRMEN, FEDERAL REGIONAL COUNCILS

SUBJECT: Closer Regional Council Links with Indian Representatives

There are 800,000 Indian and Alaska Native people in the United States, 28% of whom reside on the 115 major federally recognized reservations. The 1970 Census reported that 40% of all Indian people were below the poverty level and that over 300,000 Indian people live in urban areas.

Besides the Bureau of Indian Affairs, a number of Federal agencies (HEW, HUD, Labor, Commerce, Agriculture, Justice, Small Business) operate programs directly for the benefit of Indian people, but under either existing policy or proposed statutes, most of such direct help is or will be limited to Indian people who reside on reservations under "recognized tribal governments."

Only a few federal programs (HEW: ONAP and Office of Education, Commerce: OMBE; SBA; Justice: Civil Rights) are or will be in a position to provide any direct assistance to urban Indian people. Housing, general revenue-sharing, ESEA Act, and manpower assistance funds, for instance, will reach urban Indians only via State and city governments.

Four Urban Indian Centers are now being assisted with significant funds by HEW/ONAP; fifteen others are being aided by small grants; there are, however, some forty urban Indian centers in ___ cities.

There are two questions which Regional Councils face as a result of these facts:

1. With respect to Indian people within their Regions who reside on federally

recognized Reservations, how can the non-BIA agencies coordinate their Indian programs to ensure maximum effectiveness for all the federal funds being committed and also to ensure conformity with Tribal priorities?

2. With respect to Indian people who reside in urban areas, within the respective Regions, how can they be given information as to

(a) federal programs of direct assistance for which they are eligible?

(b) where to go at State and city government levels to ensure that their needs are fairly taken into consideration in the local allocation processes for federally assisted programs?

Federal Regional Councils have responsibilities in handling both these questions. It is our understanding that those Councils in Regions having significant numbers of Reservation or urban Indian people have by now formed Indian Task Forces. This should be done if it has not been accomplished already and each of the representatives on these Task Forces should be, in turn, a focal point of intra-agency coordination on Indian programming at the regional level.

1. Reservation Programs

It is the policy of this Administration to strengthen elected tribal governments and in fact to encourage them to take over and manage any and all BIA or HEW programs on their respective Reservations, but the take-over is to proceed at a pace of each tribal government's own choosing. A corollary to this policy is that a single, central office within each Tribal Government should also be con-

sulted in advance, not only by BIA but by any other federal agency planning or operating assistance programs on that Reservation.

Up to now it is our impression that when federal agencies other than BIA plan programs on Indian Reservations, such consultation as they may engage in among each other is minimal, and that with Indian officials tends to be with certain diverse, specialized counterpart offices on the Indian tribal government staff. Both federal coordination and effective tribal government are thus impeded rather than strengthened. Regional Council agencies are therefore requested to work closely with each other (through the respective Indian Task Forces) and in every case to consult in advance with the same single, central office within each Tribal Government, to ensure that federal assistance programs on each Reservation are mutually supporting and are in accord with the Tribal Government's own priorities for Reservation development. Federal Regional Council Chairmen are instructed to monitor this coordination by appropriate means.

The Bureau of Indian Affairs and HEW/ONAP will, for their part, be committing increased attention and resources to the strengthening of Tribal Government machinery so that this federal coordination will be complemented by coordination within the Tribal Government structure itself.

2. Urban Indian Programs

It is the policy of this Administration to avoid subdividing off-reservation assistance programs into ethnic "slices": black, Spanish-speaking, Indian,

Polish, Asiatic, or whatever. On the other hand, it is Administration policy to build, or encourage responsible groups to build links to economically and culturally disadvantaged people regardless of their ethnic origins, and to use these links to acquaint disadvantaged people with both direct and indirect federally assisted programs which can help them.

For urban Indian people this means that those of them who are below poverty levels need to be sought out and advised about their rights and eligibilities for sharing in federally assisted programs, including those programs actually managed by city government agencies. Indian Centers and other organizations of urban Indian people are probably the best means of building these links and ensuring outreach and information.

It is therefore requested that each Federal Regional Council Chairman assume the following responsibilities (which will normally be discharged by the Council's Indian Task Force):

a) With respect to federal agencies which are authorized to provide direct assistance to urban Indian people, the Chairman of the Indian Task Force is to seek out the leaders of urban Indian Centers or similar organizations in the respective Region and make clear to them that he or she is their primary contact point for information about available direct federal assistance. The Task Force Chairman is to refer urban Indian leaders' queries and proposals promptly to the appropriate federal agency or agencies in the Region, make sure that the urban Indian leaders and the federal officials are in direct contact and that the

proposals of urban Indian leaders are being given fair consideration. The Task Force Chairman should use the Indian Task Force as a tracking mechanism to keep all members informed of the status of action on the proposals and specifically to ensure that the plans which agencies do decide to implement are mutually reinforcing rather than duplicatory.

b) With respect to federal agencies whose programs of assistance will reach urban Indian people only via State and local governments, the Chairman of each Regional Council's Indian Task Force is to seek out the leaders of urban Indian Centers or similar organizations in the respective Region and make clear to them that he or she is their primary point of contact to get queries answered as to where, in the Region's State and local governments, urban Indian leaders may go to propose and substantiate their eligibility for federally assisted programs. The Task Force Chairman is to refer such queries promptly to the appropriate federal agency and make sure that the Indian leaders and the federal officials are in direct contact. The respective federal officials in turn should play a supporting role, making sure that the proposals of urban Indian leaders are given fair consideration by the State and local authorities themselves.

The success of these efforts will depend on close collaboration between the Chairmen of the Indian Task Forces and the Task Force Members and other federal agencies, and the Regional Council Chairman are instructed to monitor this coordination by appropriate means.

This memorandum in no way is intended to address a further, and separate subject: the future field structure of the Bureau of Indian Affairs itself, and its

relationship to the Federal Regional Councils. That subject is explicitly reserved for future discussions within the Executive Branch and for prior consultation with Indian leaders themselves.

Roy Ash

THE WHITE HOUSE
WASHINGTON

Helen
Peterson

303

837-4139

THE WHITE HOUSE
WASHINGTON

Phone

T. W. Taylor BIA 343-8297
Julia Vadala HEW 245-6461
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BOB ROBERTSON NCIO 395-3412
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Syd Freeman DOI 343-7606
Frank S. Hughes OMB 395-4543
Morris Thompson BIA-343-5116
Ara Ruckey OMB

THE WHITE HOUSE

WASHINGTON

Principles

1. TC, added by S as necessary
takes grantmanship initiative

2. Pass directly to Fed
agency - at full or DC

3. Coordination among
feds

4. Acknowledges: ~~TC~~ Fed
officials ~~have~~ do not
attorne in local process - to

"are" involved with local grants;
are participate in dialogue.
TC is as stick behind carrot.

American Indian Information
and Action Group, Incorporated
1414 North 27 Street
Milwaukee, Wisconsin 53208

November 5, 1973

Mr. Bradley Patterson
Special Council to the President
The White House
Washington, D. C.

Dear Mr. Patterson:

This letter is in response to the conversation I and several other Indians had with you about the need for some kind of vehicle for Indian Region V organizations to take better advantage of the Federal Regional Council in Chicago.

The enclosed proposal is the result of a request from Governor Erbe, Chairman of the Region V Council. At a meeting in early June, 1973, he asked for assistance in solving some of the problems he had been having in trying to communicate with the Indian people in the six states of Region V. Although a small proposal, the planning committee that worked on it felt it was the most important first step towards getting a decision out of the Region V Indian community on how they could more effectively use the Federal Regional Council.

After talking to you at the NCAI Conference about this, I was glad to hear that you were also concerned about this, and would assist in following up on this proposal.

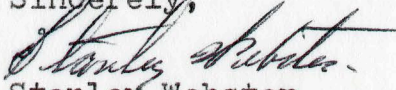
Mr. Bradley Patterson
November 5, 1973
Page Two

The person that this proposal was sent to is:

Governor N. Erbe, Chairman
Region V Council
Department of Transportation
300 South Wacker Drive, Room 1702
Chicago, Illinois 60606

Any help you can give us would be appreciated.

Sincerely,



Stanley Webster
Coordinator

414 933 4100

SW:mac

cc: Governor N. Erbe

Enclosure

AMERICAN INDIAN INFORMATION
AND ACTION GROUP, INC.
1414 N. 27th Street
Milwaukee, Wisconsin 53208

November 5, 1973

PRESERVATION COPY

Governor N. Erbe
300 South Wacker Drive
Department of Transportation
Chicago, Illinois 60606

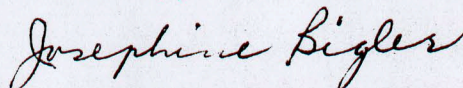
Dear Governor Erbe,

The enclosed proposal was written and given to you on Tuesday, July 10, 1973, by a PLANNING COMMITTEE of Region V Indian people, who had developed the proposal at your request. The Planning Committee has worked somewhat independently from the American Indian Information and Action Board on the proposal, and I have recently become concerned that because we have not taken an active advocacy role for this proposal that it has hampered the proposal's funding.

The American Indian Information and Action Group, Inc. has accepted the sponsorship of this project, and along with that acceptance goes our support.

Please let me know what is the status of the proposal. If there are questions that you think I could answer, please let me know. I look forward to hearing from you, and will continue to follow the direction of this proposal along with Stanley Webster, who has been chosen as Coordinator from the Planning Committee.

Sincerely,



Josephine Bigler, Executive Director

cc: Stanley Webster

JB/ld

PRESERVATION COPY

PROPOSAL TO DEVELOP AN INDIAN TASK FORCE FOR REGION V.

Submitted by: The Advisory Planning Committee

The Regional Council concept was established by Executive Order 11647 signed by President Nixon on February 13, 1973 in order to develop closer working relationships between major Federal grantmaking agencies and State and local government and improved coordination of the categorical grant system.

An Urban Indian Task Force was instituted in April, 1972 and established a formal report that pointed out many of the problem areas that face Indian communities in their relationships with government agencies. These included generally: lack of contact with employable Indians; lack of Indian input; lack of communication with Indian communities; and lack of pertinent data to Indian communities.

This Urban Indian Task Force has since not functioned, but in the light of these defined problem areas and to insure the implementation of the concept of improved coordination between government agencies and Indian communities of the six-state area of Region V, it is proposed that the Planning Committee set up on June 4, 1973 be authorized to canvass the six state area with seminars within a 180 day period to create a Regional Indian Task Force which will be charged with the following duties:

- (1) to gather information from government agencies as relates to grantsmaking and disburse it to the Indian communities in Region V;
- (2) to evaluate the collected information as to its effectiveness as relates to the Indian communities; and
- (3) to disseminate pertinent information to Indian communities.

The Planning Committee presently consists of the following members:

This Planning Committee will act as workshop leaders in their respective areas with an attempt to recruit additional members from Ohio and Indiana and under the sponsorship of the American Indian Information and Action Group, 1414 N. 27th Street, Milwaukee, Wisconsin will begin to develop the Regional Indian Task Force within the following guidelines:

1. The task force shall be no less than 12 members, and shall be ~~no~~ no more than 18 members;
2. To the extent possible, the Task Force will consist of one (1) rural Indian representative, and one (1) urban Indian representative from each of the six (6) states of Region V; (in some instances, circumstances may dictate varied representation since Illinois, Ohio and Indianan have no reservations and Minnesota has two legally chartered Indian reservation groups)

The project will begin July 15, 1973, under the direction of Stanley Webster, Ad Hoc Director, and the first order of business will be to mail out letters to stimulate interest and to establish communication contacts.

The Planning Committee will meet in the first week in August to:

- (1) plan composition of the Task Force
- (2) plan method of Task Force selection
- (3) plan work shop design
- (4) plan and develop workshop presentation materials
- (5) establish workshop locations (2 to 4 locations in each state)

Upon completion of workshops and with the accumulation of data, a Planning Committee meeting will be held in mid-December to evaluate results and make recommendations.

BUDGET (6 months)

(

24 Seminars: over a 3-6 month period of time \$200 (consulting fees) plus \$25 (per diem)	\$4800.00
Salary for a fulltime person (6 mos.) with the possibility that this person could stay on 6 more months at the request of the new task force members	7500.00
Printing Costs and Mailings	600.00
Telephone	1000.00
Travel	1500.00
Planning Committee Meetings 9 members X \$25 X 2 days = \$2250 X 2 meetings	4500.00
Secretarial help - part-time @ \$5.00/hour X 8 hrs X 12 days	480.00
	<hr/>
TOTAL	\$20,980.00

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REGION V INDIAN PLANNING COMMITTEE

CO-ORDINATOR:

The Co-Ordinator is directly responsible to the Indian Planning committee.

TO:

- 1.) Locate and catalogue by state all interested Indian organizations and persons.
- 2.) Inform these groups and persons of the general purpose of the Indian Planning Committee.
- 3.) Present to the Indian Planning Committee a tentative agenda for the individual workshops and their locations.
- 4.) Assist the Indian Planning Committee in the overall planning of the workshops.
- 5.) Develop materials and resources for the workshops.
- 6.) Inform federal, state, and local agencies of the workshops that pertinent to them.
- 7.) Aid in the completion of the actual workshops.
- 8.) Collect and organize the resulting reports and data from all the workshops.

PRESERVATION COPY

TIMETABLE

In order to accomplish these goals the CoOrdinator shall by:

- Aug. 13, 1973 Obtain a complete list of interested Indian organizations and people.
- Aug. 31, 1973 Have informed all interested parties concerning the nature of the Indian Planning Committee.
- Sept. 13, 1973 Present to the Indian Planning Committee the general format of the workshops.
- Oct. 1, 1973 Present to the Indian Planning Committee a tentative schedule of the workshops. This would include Indian Planning Committee members responsible for the individual meetings.
- Oct. 13, 1973 Contacted and informed local Indian organizations concerning their particular workshops. Also complete three workshops.
- Oct. 31, 1973 Finished contacting and informing local Indian groups concerning their workshops and completed six workshops.
- Nov. 15, 1973 Completed twelve workshops.
- Dec. 1, 1973 Completed all workshops.
- Dec. 20, 1973 Have ready for the Indian Planning Committee all the necessary reports and data from all the workshops. This will enable the committee to finalize its recommendations and present its final plan.

PRESERVATION COPY

THE WHITE HOUSE

WASHINGTON

AL. COBE

1046 W. WILSON

CHICAGO, 60640

(312) 275-1173?

Home - 784-4214

Indians for Indians, Inc.

~~John~~

THE WHITE HOUSE
WASHINGTON

Vince Pisatano

3775

OMB

DEC 10 1973

MEMORANDUM FOR Bradley H. Patterson, Jr.
Office of Management and Budget

From: Assistant Secretary - Management

Subject: Federal Regional Councils and Indian Programs

This is in response to your memorandum of November 26, 1973, requesting comments on a draft paper calling for further action by the Federal Regional Councils.

We concur in the overall purpose of your paper. We are concerned, however, that the primary thrust is to exhort the Federal Regional Councils to continue to do what they are already trying to do; i.e., establish Indian task forces to serve as a primary focal point for information and coordination of federal assistance programs. Instead of moving this concept further, it is suggested that we address two current problems that seem to be symptomatic of the Indian/FRC issues or deficiencies:

1. Program Access

A recent study conducted by NCIO and NTCA, now being documented, disclosed that only 43 federal assistance programs were currently being utilized by two or more tribes, out of a total of about 600 programs potentially available. An additional 43 were identified that were each being utilized by only one tribe. This is an appalling situation and, even if the figures are not precise, it certainly points out the need for emphasis on making better information available to the tribes regarding program availability and assistance in gaining access to them. This problem has another dimension in that federal assistance programs are generally limited to fulfilling prior commitments or ongoing programs. Providing

additional Indian participation would therefore require redirecting funds from other areas, which is a painful process. This is a major factor in the reluctance of Regional Councils to move very far in Indian affairs.

2. Program Coordination

As the Regional Councils have evolved, they have moved cautiously in taking on specific coordination efforts to avoid overextending their capacity or ability. Consequently, much of their activity is special purpose one time efforts that can be projectized and measured. Integrated Grant Applications (IGA at Zuni and Standing Rock), the Reservation Acceleration Program (RAP), and the OMB Circular A-95 Process are examples of this kind of effort. Neither the Regional Councils nor their Indian task forces have the capacity to provide this kind of a coordination mechanism for each Indian reservation or urban Indian program, and each one needs coordination. Current examples of this lack of coordination are:

- a. Homes built by one agency, utilities provided by another agency, and no funds to put the two together, such as we now have with Standing Rock and the Oklahoma Seminole.
- b. Funds provided for industrial parks by one agency for which there are no tenants, such as we now have at a number of locations.
- c. Funds provided through states or discretionary LEAA grants for facilities and equipment for which BIA has not programmed funds for operation and maintenance.

It is inconceivable that Federal Regional Councils can, using their present approach, establish a separate mechanism for each of the hundreds of such cases needing coordination. Unless and until we find some way of providing coordination among program officials as a routine way of life so that coordination is a part of the ongoing system, we cannot hope to make much improvement through Regional Councils.

In summary, it is suggested that we discuss these issues in a workshop or seminar fashion with OMB and Regional Council Chairmen at their January meeting for the purpose of developing an action plan for the coming year.

(sgd) James T. Clarke

cc:

Secretary's surname

Secretary's reading file (2)

AM - Subject file

AM - Reading file

AM - Review Management Team surname

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AM/SFreeman/nl 12/4/73

DEC 10 1973

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(sgd) James T. Clarke

cc:
Secretary's surname
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AM - Subject file
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AM - Review Management Team surname
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THE WHITE HOUSE
WASHINGTON

December 27

Morrie -

There are four issues I am wrestling with here and am anxious to get them wrapped up during January.

1. "Bill of particulars" for the Sioux dissidents. I gave you that memo today, and the earlier part of the file was sent to "Marvin Frankling and Morris Thompson" on November 19.
2. Indian Education -- especially the future of funding under HEW's Indian Education Act. I wrote a note about this to you and others on November 26 and hope to have an early session among the persons mentioned. The Domestic Council is looking into this, *also*.
3. Regional Councils and Links with Indian Representatives. I sent you a memo on this dated November 26, and have one response back from Sid Freeman. I'll probably be calling a meeting on this with HEW and you and Sid. I attach here a copy of Sid's response; as you can see, there is much to discuss here.
4. Future of NCIO. You got a copy of the Garment memo of December 17. I have no idea whether the VP is going to meet with NCAI people.

To sum up: need to hear from you or your staff on items 1 and 3.

Resume' enclosed.

Bob



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

DEC 10 1973

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James T. Clark

INTERIM REPORT

TO

STAFF OF MOUNTAIN PLAINS FEDERAL REGIONAL COUNCIL

by Helen L. Peterson, Chairman, Interagency
Indian Committee, and Phyllis Pearson, HEW
December 27, 1973

IMPORTANCE OF FULL TIME CHAIRMAN

Chairman Robert Rosenheim, both by reason of his fulltime chairmanship of the Regional Council and his own superior sensitivity and understanding of the issues involved, has already proved effective in improving the credibility of FRC with Indian Tribes in Region VIII, and in accomplishing some concrete results.

In terms of communication and credibility, Chairman Rosenheim's presentation to 23 of the 24 tribes in Region VIII at the regional meeting sponsored by ACTION overcame a deteriorated situation in the region due to the disappointments and cancellation of the Standing Rock Sioux IGA in summer, 1973. Because of the renewed confidence generated by Chairman Rosenheim, several tribes are requesting consideration by MPFRC for selection for consolidated funding, or integrated technical assistance programs, namely Rocky Boys Reservation, Southern Ute (which has submitted impressive documentation), and Cheyenne River Sioux.

SCOPE OF PURPOSE

Besides the MPFRC Chairman's presentation and discussion during the ACTION conference November 16-17 in Denver, some of the efforts to improve communications --at the same time that the Interagency Indian Committee is evaluating these activities in order to recommend continuing methods-- the Chairman of the IIC met during two days, November 29-30, in Billings, Montana with seven of the eight Montana and Wyoming tribes to discuss MPFRC goals and IIC assignments.

The IIC Chairman and Phyllis Pearson, member of the IIC committee attended and informally discussed MPFRC during the NTCA, December 6-7 in Phoenix. The Chairman organized and chaired a panel on FRC activity in relation to Indian tribes during the NCAI meeting, Tulsa, October 29-November 2. The Chairman at least, and hopefully also the Chairman and Vice-Chairman of the MPFRC and one or two staff members will meet with the Dakota tribes in Aberdeen, January 22-23 (along with BIA agency and area officials).

William Hallett and a committee are in process of completing a report on the several topics under SCOPE OF PURPOSE in the Mission Assignment. It is due to the IIC at its January 8-9 meeting.

II-A-1. Tribal Presence with the MPFRC. Hallett will have this recommendation finished for consideration of the IIC on January 8-9. Moreover the means for selecting such person (s) have been discussed with tribal chairman on two occasions (Denver, November 16-17 and Billings, Nov. 29-30); The Crow Creek Tribal Chairwoman, Mrs. Elnita Rank, asked that a job description be circulated to the tribes, candidates invited to apply, and then that the Tribal Chairmen in Reg. VIII be brought to Denver to make the selection.

NEEDED: Information from MPFRC as to how and when such a position could be funded.

II-A-2. Formal meetings have been held between Tribal officials and MPFRC, as above mentioned, the most effective being the FRC Chairman's presentation at ACTION meeting, Nov. 16-17 in Denver; and IIC Chairman's presentations to Billings Area Tribal officials, in Billings, Nov. 29-30. Next scheduled formal meeting is with Dakota tribes, January 22-23. BIA will provide charter plane service on return to Denver if MPFRC Chairman, Vice-Chairman, and two or three IIC members can go.

II-A-3. IIC member (and former chairman) William Hallett, has proposed an occasional newsletter which will be tried after the January 8-9 meeting of the IIC.

II-A-4. IIC members Wetzel (DOL) and Petit (LEAA) will make their report to IIC on January 8-9. Meantime, Phyllis Pearson has been meeting with Denver's DNAU organization, and the IIC is in communication with Montana Inter-Tribal Policy Board.

I. B. Situation Reports on all tribal governments: A subcommittee
1 and 2 of the IIC is in process of preparing these reports. Probably three-fourths of the material has been assembled on all the tribes in the region to prepare this report. That subcommittee, composed of BIA Area Office officials, developed a format in two parts: one for the tribes to describe their own planning and management capabilities, and to indicate their interest (accompanied by tribal resolution) in consideration by MPFRC for consolidated or integrated funding; and the second format to be completed by BIA officials to summarize statistical data on the tribes. These questionnaires have been distributed to the tribes, and the tribes have been asked to return them by January 2, in time for consideration by the IIC on Jan. 8-9.

II-C A subcommittee of IIC is working on development of an FRC mechanism to integrate the delivery of federal technical assistance to tribes. It, also, will bring its report to the IIC meeting January 8-9.

II-D A subcommittee of IIC will have a sample memorandum of agreement that can be used by Tribes for consideration of IIC on January 8-9.

II-E Based on the Tribes' own indications of interest, the IIC verbally recommended a number of Tribes to the MPFRC on December 4, for consideration for selection, namely:

THREE AFFILIATED TRIBES, FT. BERTHOLD RESERVATION
UINTAH AND OURAY UTE TRIBE
SISSETON-WAHPETON SIOUX TRIBE
ROSEBUD SIOUX TRIBE
SOUTHERN UTE TRIBE

The IIC Chairman further reported that as other tribes submit proposals, or requests, or otherwise indicate their interest, their names will be forwarded to MPFRC

SPECIAL PROJECTS or PROGRAMS FOR MPFRC CONSIDERATION

In addition to the Tribes named above, the IIC has been working with, and upon, some special projects or programs, namely:

DEVIL'S LAKE SIOUX DAY CARE CENTER
CHEYENNE RIVER SIOUX WATER LINE PROJECT

COORDINATION OF MANAGEMENT TRAINING PROGRAMS

COORDINATION OF INDIAN INTERESTS IN THE
ENERGY CRISIS

IMPROVING INDIAN INPUT IN THE NORTHERN
GREAT PLAINS RESOURCES PROJECT

PREPARATION LIST OF RESOURCE PEOPLE (INDIAN)
IN REGION VIII EMPLOYED IN FEDERAL
AGENCIES IN GS-9 AND ABOVE POSITIONS

PROGRESS ON OBSTACLES TO FRC CONSOLIDATED FUNDING: The Department of Transportation secured amendatory legislation in respect to HTS funds by which the 244 Indian tribes will be treated as the 51st state, with the Secretary of Interior acting in the role of a state's governor, and funds flowing to tribes through BIA Area offices. This might be a model for HEW or LEAA whose major funds flow through states.

Also, BIA has legislation pending to enable it to make grants to tribes.

NEEDS:

MPFRC chairmen and other officials can do better about making themselves available to tribal chairmen. The officers and staff of MPFRC should remember (or learn, if necessary) that Indian Tribes have some sovereignty equal to that of the States. The elected heads of Tribes should be accorded fully as much time and courtesy as any mayor or governor.

The IIC chairman needs much improved office facilities and constant follow-up has gone on to get DOI and BIA to provide these, which will include a "tribal headquarters" office.

The Chairman and Vice-Chairman, and some IIC members should attend the Aberdeen Area office meeting of tribal officials, BIA personnel, congressional aides meeting in Aberdeen, January 22-23.

INTERAGENCY INDIAN COMMITTEE
MOUNTAIN PLAINS FEDERAL REGIONAL COUNCIL

Meeting - November 7, 1973

ATTENDING: Jeff Muskrat - BIA-ITAC - Denver
Al Ulibarri - Dept. of Justice - Bureau of Prisons
Robert Wilson - EDA
John Isham - HEW
Phyllis Pearson - FRC
George Rold - HEW
Darrel Dillon - CSC
Robert Walker - BIA Albuquerque Area Office
Jim Abeita - BIA Billings Area Office
Helen Peterson - BIA Denver Field Office - Chairman

The Chairman, Mrs. Helen L. Peterson, opened the meeting with discussion of Item 1 on the agenda (copy attached). Robert Walker, chairman of the sub-committee reported his sub-committee had developed formats for two kinds of information (copies attached):

1. Statistical information on tribes that is readily available at BIA.
2. Planning and management capability information which will have to be obtained from the Tribes (BIA can assist them, if requested).

The sub-committee proposed an application type of format for the tribes, not only to provide planning and management capability information, but also to serve as an indication of the Tribe's interest in being considered for selection by MPFRC as a pilot program for FY 74 consolidated funding. Since some tribes have no staff or fulltime tribal officers, it may be impossible to gather the information from every tribe, but an attempt should be made because the information will be valuable to MPFRC in reaching decisions concerning consolidated funding. Mr. Walker advised that his committee did not feel comfortable with the wording of B-1, "level of competence" and they would prefer the Tribes furnish the information requested by MPFRC in B 1 and 2. The sub-committee will complete the statistical reports by the end of the year. The two formats were approved by the Interagency Indian Committee; they will be discussed with the MPFRC staff then duplicated for mailing to committee members.

Mrs. Phyllis Pearson reported PMFRC is trying to improve communications and eliminate red tape while trying to help implement planning and management systems.

George Rold (HEW) estimated that 85 to 100 per cent of HEW funds flow through state agencies and that at some point in time, we need to take on that issue to see that the proper share of those dollars go to Tribes.

Darrel Dillon indicated that in most meetings he had attended, federal agencies always talked about tribal "management capabilities," but when they fund a tribe, in effect the agency administers the program through its regulations. However, if and when the program fails, the Tribe is blamed for the failure.

Mr. Rold expressed concern that indications and evaluations of "planning and management capabilities" will come only from the more sophisticated, whereas the Interagency Indian Committee and MPFRC should be concerned perhaps even more about those Tribes which do not respond because they probably have greatest need.

Mr. Robert Wilson advised that EDA had made twenty-two planning grants in the region, and the agency plans to spend its remaining funds to update Overall Economic Development Programs (OEDP's). He reported that 80 per cent of FY 74 money will be spent according to tribal priorities.

Mr. Rold discussed the Youth Development and Delinquency Services program and said HEW would attempt to do something at Rosebud for the Junior Tribal Council if the new tribal government gives support to the idea. HEW has a collection of socio-demographic data on a county basis.

Helen L. Peterson reported she understood, on accepting the chairmanship of the ICC, it had been agreed the ICC would not recommend, and MPFRC would not "select" just one tribe in the region for special attention. She said her position on this had consistently been that it would be presumptuous to make subjective judgments of Tribes' "planning and management capabilities." She said she plans to draft a careful letter of comment and concern, which will be combined with her acceptance of the committee chairmanship, to MPFRC Chairman, Robert Rosenheim. The letter will be submitted to the Committee for review before it is forwarded.

Robert Wilson suggested that in lieu of "recommending" tribes to MPFRC, we should propose some alternatives in our letter to Mr. Rosenheim. Mrs. Peterson and Mrs. Pearson emphasized that federal agencies, as well as FRC, need to understand that tribes must be involved when decisions are made concerning them. Perhaps some sensitivity training is needed.

Darrel Dillon stated he has come to believe BIA is the best agency to deal with tribes because, even with its failures and shortcomings, BIA maintains best communication with tribes, has statutory responsibility to serve tribes, and its total and only purpose is to serve Indians.

Luncheon Recess

The Office of Native American Projects (ONAP-HEW) will hold a meeting on November 8 at the Southern Ute Reservation, Ignacio, in regard to the absorption of OEO by HEW (Mrs. Pearson will attend). ONAP will continue at the same funding level as OEO. Both OEO and EDA are funded only through June. OEO will continue non-reservation Indian programs in this region. A representative from OEO should be added to the ICC.

The list of ICC working sub-committees was reviewed; some new members were assigned. FRC staff will prepare letters for the MPFRC Chairman to request that Clarence Johnson of DOT, George Rold of HEW, and John Hempel of HUD serve on ICC sub-committees. IHS representatives from Aberdeen and Billings area offices have not yet been named by when they are, they will be added to Mr. Walker's sub-committee. Revised sub-committee assignments list is attached.

The next ICC meeting was set for Monday, December 3, in the FRC conference room. Members should study the staff paper by Morris Lewis before the next meeting. William Hallett will be contacted for a briefing of the activities of his committee; also, Wayman Cooper of the Interagency Funding Mechanisms Committee of the MPFRC will be asked to come to the next meeting with a report from his committee. Jeff Muskrat's committee will meet next week. The ICC Chairman will request new milestones (target dates) from MPFRC Chairman, Mr. Rosenheim.

Mrs. Pearson urged the Council to make certain that tribes are fully informed on revenue sharing and suggested that Mr. Ed Deckard of OMB be asked to begin to prepare for this.

The Northern Great Plains study is proceeding with very little representation even though it affects, especially Northern Cheyenne, Crow and Fort Berthold. This illustrates the need for the "Tribal Presence" in the MPFRC.

William Hallett was asked to begin work on a position paper for MPFRC, emphasizing the land and water resources and sovereignty of Indian tribes.

The MPFRC will meet on December 4, at which time the ICC should report and seek to clear up questions and bring up issues.



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

DEC 10 1973

MEMORANDUM FOR Bradley H. Patterson, Jr.
Office of Management and Budget

From: Assistant Secretary - Management

Subject: Federal Regional Councils and Indian Programs

This is in response to your memorandum of November 26, 1973, requesting comments on a draft paper calling for further action by the Federal Regional Councils.

We concur in the overall purpose of your paper. We are concerned, however, that the primary thrust is to exhort the Federal Regional Councils to continue to do what they are already trying to do; i.e., establish Indian task forces to serve as a primary focal point for information and coordination of federal assistance programs. Instead of moving this concept further, it is suggested that we address two current problems that seem to be symptomatic of the Indian/FRC issues or deficiencies:

1. Program Access

A recent study conducted by NCIO and NTCA, now being documented, disclosed that only 43 federal assistance programs were currently being utilized by two or more tribes, out of a total of about 600 programs potentially available. An additional 43 were identified that were each being utilized by only one tribe. This is an appalling situation and, even if the figures are not precise, it certainly points out the need for emphasis on making better information available to the tribes regarding program availability and assistance in gaining access to them. This problem has another dimension in that federal assistance programs are generally limited to fulfilling prior commitments or ongoing programs. Providing

additional Indian participation would therefore require redirecting funds from other areas, which is a painful process. This is a major factor in the reluctance of Regional Councils to move very far in Indian affairs.

2. Program Coordination

As the Regional Councils have evolved, they have moved cautiously in taking on specific coordination efforts to avoid overextending their capacity or ability. Consequently, much of their activity is special purpose one time efforts that can be projectized and measured. Integrated Grant Applications (IGA at Zuni and Standing Rock), the Reservation Acceleration Program (RAP), and the OMB Circular A-95 Process are examples of this kind of effort. Neither the Regional Councils nor their Indian task forces have the capacity to provide this kind of a coordination mechanism for each Indian reservation or urban Indian program, and each one needs coordination. Current examples of this lack of coordination are:

- a. Homes built by one agency, utilities provided by another agency, and no funds to put the two together, such as we now have with Standing Rock and the Oklahoma Seminole.
- b. Funds provided for industrial parks by one agency for which there are no tenants, such as we now have at a number of locations.
- c. Funds provided through states or discretionary LEAA grants for facilities and equipment for which BIA has not programmed funds for operation and maintenance.

It is inconceivable that Federal Regional Councils can, using their present approach, establish a separate mechanism for each of the hundreds of such cases needing coordination. Unless and until we find some way of providing coordination among program officials as a routine way of life so that coordination is a part of the ongoing system, we cannot hope to make much improvement through Regional Councils.

In summary, it is suggested that we discuss these issues in a workshop or seminar fashion with OMB and Regional Council Chairmen at their January meeting for the purpose of developing an action plan for the coming year.

(sgd) James T. Clarke

OFFICE OF MANAGEMENT AND BUDGET

CIRCULAR NO.

A-95

WHAT IT IS

HOW IT WORKS

OMB CIRCULAR NO. A-95

WHAT IT IS--HOW IT WORKS

Office of Management and Budget Circular No. A-95 is a procedure for coordinating Federal and federally assisted programs and projects with each other and with State, regional, and local plans and programs.

The Circular has four major parts:

- Part I, "The Project Notification and Review System," deals with State and local review of applications for Federal assistance.
- Part II, "Direct Federal Development," provides for consultation by Federal agencies with State and local government on direct Federal development.
- Part III, "State Plans and Multisource Programs," requires gubernatorial review of federally required State plans and clearinghouse review of plans for activities being funded from several program sources.
- Part IV, "Coordination of Planning in Multijurisdictional Areas," promotes coordination of federally assisted planning at the substate regional level.

1. Statutory background.

Office of Management and Budget Circular No. A-95 was first issued July 24, 1969, in partial implementation of the Intergovernmental Cooperation Act of 1968. A major revision was issued on February 9, 1971. Certain other substantive amendments were promulgated as a separate issuance March 8, 1972. The current revision of November 13, 1973, incorporates past revisions and amendments, adds certain clarifications and refinements, and expands the coverage of the "Project Notification and Review System" (Part I, Attachment A) to cover a substantial number of human resources programs.

The "Project Notification and Review Process" is based in large measure on an earlier law, Section 204 of the Demonstration Cities and the Metropolitan Development Act of 1966. Section 204 requires that application for Federal assistance to a wide variety of public facilities type

projects (highways, hospitals, etc.) in metropolitan areas must be accompanied by the comments of an areawide comprehensive planning agency as to the relationship of the proposed project to the planned development of the area.

However, Title IV of the Intergovernmental Cooperation Act is the broad policy base on which A-95 rests. It is fundamentally a statement of national policy which asserts the cooperative, intergovernmental nature of Federalism and directs the close coordination of Federal and federally assisted plans and programs for the development of the Nation's physical, natural, economic, and human resources with State, areawide, and local plans and programs.

Title IV directs the President to "establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development." The basic objectives of this mandate center about the importance of sound and orderly development of urban and rural areas for the economic and social development of the Nation. Section 401(b) of the Act requires that "all viewpoints--national, State, regional, and local--shall, to the extent possible, be taken into account in planning Federal or federally assisted development programs and projects." Section 401(c) states, moreover, that "to the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional and local planning."

The following paragraphs are aimed at clarifying the regulations promulgated by Circular No. A-95.

2. The approach.

The "philosophy" that lies behind the current formulation of the requirements called for in the statutes on which A-95 is based centers on the following views:

a. The statutes themselves represent a response to the need for coordination of planning and development activities within and among Federal, State, and local levels of government:

- At the Federal level, there are a myriad of programs of assistance to State and local

government that were developed piecemeal and are not coherent as to policy and administration. They are often duplicative and sometimes even in conflict with each other;

- At the State level, Governors' abilities to manage are not only often constitutionally circumscribed but administratively frustrated, with respect to Federal programs, by functional bureaucracies;
- Local government is heavily fragmented both within and among jurisdictions; and
- Many federally assisted programs and projects cannot be planned by (or within) individual jurisdictions or without reference to programs and projects within other functional or jurisdictional areas.

A-95 is the instrument for facilitating the needed coordination without encroaching on the constitutional domain of the States or the statutory responsibilities of Federal program administrators.

b. A-95 is based on the following premises:

- Fundamental to coordination is communication; therefore,
- If people who should be talking to each other are put in a position of having to talk to each other, then
- They may come to identify and understand their communities of interest and areas of conflict, and, if they do, then
- They may cooperate in pursuit of their common interests and try to negotiate their differences;
- To the extent that they do, federally assisted programs and projects are more likely to be better coordinated, resulting in dollar savings, better projects and more value for public investment.

In short, A-95 cannot assure coordination, but it is designed to create a climate for intergovernmental cooperation in which such coordination is more likely to come about.

c. A-95 should clearly state the objectives of Title IV, but it should not be prescriptive as to the means by which the objectives are achieved. All of the requirements of A-95 go to Federal agencies and applicants for Federal assistance. That is, A-95 sets forth a system under which Federal agencies and applicants for Federal assistance must give State and local governments, through areawide and State clearinghouses, an opportunity to assess the relationship of their proposals to State, areawide, and local plans and programs. Federal agencies must consider these assessments in the light of the mandates of Title IV (specifically Section 401(c)) in deciding whether or not to approve the project. However, recognizing the great diversity among States, regions, and localities in the manner in which the public business is conducted, A-95 puts few constraints on clearinghouses in the way they carry out the review. They are limited as to the time allowable for review and are obligated to identify individual jurisdictions and agencies upon whose plans and programs any proposal may impact and give them an opportunity to participate in the review. However, A-95 does not prescribe:

- The existence of clearinghouses as such;
- The organization of clearinghouses;
- The procedures and techniques by which clearinghouses carry out reviews; or
- Whether or not clearinghouses even carry out reviews for any categories of projects or programs covered by the Circular.

In short, A-95 is designed to provide an opportunity for governors, mayors, and county officials and other State and local officials, through clearinghouses, to influence Federal and federally assisted programs and projects that may affect their own plans and programs.

It should be stressed, however, that the comments made by the clearinghouses are advisory only. A supportive review will not assure Federal approval of an application, nor will a negative review constitute a veto.

Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 states that areawide agencies (clearinghouses) should be comprised to the greatest extent practicable of local elected officials, and most are. Although OMB encourages this approach, neither the Act nor A-95 sets it out as a requirement in order to accommodate State law and to provide local governments with maximum flexibility.

d. The primary value of A-95 reviews is not to second guess the experts in any program area but to disclose external impacts of proposed projects. For instance, a proposed hospital may be very well designed, but an application will not disclose the fact that it, in conjunction with other proposed projects in an area, will overload the sewer system. If the toilets back up, it will not be a good hospital. A-95 can bring such considerations to light and set in motion actions to adjust: re-site hospital, expand the sewer capacity, etc. Thus, functional expertise is not as critical to clearinghouses as is the generalist capability of comprehensive planning to identify linkages among functions and programs. Moreover, the referral (to potentially affected jurisdictions and agencies) system of the clearinghouse will tend to involve functional experts to a greater extent.

e. A-95 should not be considered a "license to manufacture red tape." The review process is a service to clientele governments of clearinghouses to enable them to get the best possible project to meet their needs. Many clearinghouses have developed quick screening processes so they can spend their review resources on projects most likely to have an intergovernmental impact. Although at least 60 days (two 30-day periods may be involved) are permitted for review, most are consummated in half the time.

PART I: PROJECT NOTIFICATION AND REVIEW SYSTEM

1. The process in brief.

The Projection Notification and Review System (PNRS) may be thought of as an "early warning system" to facilitate coordination of State, regional, and local planning and development activities that are assisted under various Federal programs. Coordination is sought through review of applications for Federal assistance by or through State and areawide clearinghouses. The clearinghouses are generally comprehensive planning agencies and, at the areawide level, are usually organizations predominantly comprised of elected officials of general purpose units of government.

The PNRS is referred to as "an early warning system," as it is a two-step process. The "early warning" step occurs when an applicant-to-be decides he will seek Federal assistance. At this point, he notifies both the State and the areawide clearinghouse, signaling his intent and describing in summary fashion the project or activity for which he will be seeking assistance.

The idea at this stage is to identify possible issues or problems so that the applicant will be saved the trouble and expense of preparing an application for which a clearinghouse may subsequently identify serious problems.

The clearinghouses will examine the notification to determine if there are any actual or potential problems with the application in terms of State or areawide plans and programs. They will also try to identify any individual agencies or jurisdictions having plans or programs that may be affected by the proposed project. The clearinghouses will assure that such agencies or jurisdictions are given an opportunity to review the proposal.

Within 30 days of receiving the notification, the clearinghouses must indicate to the applicant whether or not there are any actual or potential issues with the proposal. If there are none, the applicant has fulfilled his obligation and may complete and submit his application to the funding agency, unless the clearinghouse specifies that it wishes to review the completed application. If so, it may have an additional 30 days.

At any time during the initial 30 days that identified issues are resolved, the clearinghouse may "sign off," concluding the review. At any time after the initial 30-day period, if there are still unresolved issues pending, the applicant may submit a copy of his completed application for final review, and any comments of the clearinghouse (or others) must be submitted to the applicant within 30 days. The applicant must include all comments with his application, when he submits it to the funding agency. The funding agency will utilize such comments in evaluating the application.

2. Clearinghouses.

There are two types of clearinghouses: State and areawide. State clearinghouses are designated by the Governor and are usually State comprehensive planning agencies. Areawide clearinghouses are substate in scale although there are a number of interstate clearinghouses covering bi- or tri-State metropolitan areas. Areawide clearinghouses are also usually comprehensive planning agencies.

The Office of Management and Budget normally designates areawide clearinghouses covering metropolitan areas. Governors designate all others. However, it is OMB policy to seek the concurrence of the Governor before making a designation, so it is a distinction with little significant difference. In practice, since the original metropolitan designations were made pursuant to Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, many or most recommendations for designations of new clearinghouses or changes in existing ones have come from the Governors (or State clearinghouses) and OMB has concurred. This, of course, is consistent with Part IV of OMB Circular No. A-95.

The main reason that OMB has reserved the final word on metropolitan areawide clearinghouses to itself is to assure that interstate metropolitan areas are treated as a whole and that the urbanized core of any metropolitan area is not fragmented. This is not to say, however, that OMB holds to any doctrinaire approach to arrangements for carrying on areawide planning and intergovernmental coordination. For any metropolitan area, OMB will recognize any arrangements for which there is general

consensus among the local governments in the area for carrying out the requirements of Circular No. A-95. As noted above, concurrence of the State in those arrangements will be an important factor in the OMB determination.

3. Elements of the process.

- a. Notification. Paragraph 2 of Part I describes the type of information to be included in the notification and indicates certain exemptions.

It is critical that notifications be sent at the very earliest possible time, even if all of the summary information is not available or is sketchy. If necessary information is not available, it can be fed in as it is developed. The main thing is that the stage is set as early as possible for issue identification, negotiation, and resolution. By following this rule the review process will be expedited so that by the time the applicant completes his application, any issues will have been resolved or, if not, clearinghouse comments can be readily prepared.

Notifications must be sent to both the State and the areawide clearinghouses. However, if the project is of a type - as for certain kinds of research - where no specific areawide or local impact can be identified, the notification need be sent only to the State clearinghouse. If the State clearinghouse discerns potential interest on the part of any or all areawide clearinghouses, it can then involve them in the review. If the applicant is uncertain as to whether his proposal falls into this category, he may consult the State clearinghouse or the areawide clearinghouse from the jurisdiction of which the application will emanate.

This paragraph also notes that federally recognized Indian Tribes are exempt from the review requirements. Because of certain treaty rights, the Tribes have a unique status vis-a-vis the Federal Government and deal with them directly, and do not "go through" State or local governments in such dealings. However, because tribal projects may affect State or local plans and programs, Federal funding agencies are required to inform State and local clearinghouses of any application received from a Tribe. If a clearinghouse sees any problem, it can take it up with the Tribe or register its concern with the funding agency.

However, Tribes are urged to participate voluntarily in the review process as there are substantial benefits to be derived. These might include technical assistance from clearinghouses in planning better or more economical tribal projects or receiving timely information about and opportunity to influence other proposed projects that might affect tribal interests or land. Of course, direct participation would also obviate any delays in application processing that might derive from Federal information referencing of tribal projects to clearinghouses.

While the primary purpose of the PNRS is to coordinate federally supported programs with State, areawide, and local plans and programs, it should be remembered that the purpose of Federal programs is to help the applicant in the solution of a problem. Therefore, the PNRS emphasis should be on helping the applicant to develop the best possible project to achieve his objectives in a manner that will not do violence to the plans and programs of other jurisdictions and agencies.

b. Clearinghouse functions. (Paragraph 3 of Part I.)

The term "clearinghouse" is meant to fully reflect the functions of these agencies:

- To identify the relationship of any project to statewide or areawide comprehensive plans, and
- To identify the relationship of any project to the plans or programs of particular State agencies or individual local governments.

While clearinghouses are expected to have comprehensive planning capabilities or direct access to such capabilities in order to identify the compatibility of proposed projects to statewide or areawide plans, the "clearinghouse" aspect is equally important. It can happen that a project which is not inconsistent with State or areawide comprehensive planning may be in conflict with the plans or programs of a particular State or local agency.

Thus, when an applicant sends a notification to the State clearinghouse, the clearinghouse will not only examine the project from the standpoint of State comprehensive planning

but will forward a copy of the notification to any State agencies having plans or programs that might be affected to ascertain their interest in participating in any follow-up conferences with the applicant. The areawide clearinghouse to which the applicant also sends the notification will, similarly, contact specific local governments and agencies which might be affected.

Identification of jurisdictions and agencies with related programs and their involvement in the review process is a critical feature of PNRS, in view of its role of dealing with the external impacts of projects. Thus, community action or model cities agencies should be drawn into reviews of projects affecting the poor; school boards should participate in reviews of projects relating to child and youth development. Any governmental jurisdiction or agency that may be affected by a proposed project should be given an opportunity to participate in its review, whether or not that jurisdiction is a member of the clearinghouse.

Paragraph 3 identifies two types of agencies where review involvement is specifically obligatory: State and local environmental agencies on projects for which an environmental impact statement may be required; and State and local public agencies responsible for the enforcement of civil rights laws or for the furtherance of their objectives (e.g., human relations commissions).

Questions have frequently been raised about the involvement of citizens' organizations in the review process. Because A-95 is based specifically on legislation aimed at intergovernmental cooperation, it does not make such involvement obligatory. Also, from a practical standpoint, a clearinghouse, except in more rural areas, will probably not be aware of all of the myriad citizen groups in a region. However, to the extent that such groups can be identified, their involvement in A-95 reviews can be beneficial. Therefore, OMB encourages clearinghouses to seek appropriate private citizens' and community organization inputs to their reviews. Frequently the local jurisdictions and agencies to which notifications are referred by a clearinghouse will have a better idea of which citizen groups should be involved and may bring them into the review process. Good examples are

the civil rights agencies which will know the proper minority group organizations to bring in to consider the civil rights implications of a project.

Relationships established with State and local agencies - including quasi-governmental and private agencies - through conscientious application of the "clearinghouse" aspect of the PNRS can enhance the status of the individual clearinghouse as a focal point for planning coordination and can lend popular and private sector support to clearinghouse activities. In addition, the expert inputs of these agencies to the review process represent a useful supplement to the clearinghouse's own review resources and capabilities.

c. Consultation and review.

Paragraph 4 sets forth the review process itself, as described above. Of particular additional note are the following:

(1) Areawide clearinghouses are required to include any written comments of individual jurisdictions, agencies, or organizations submitted to the clearinghouse as part of the review of any proposal. However, only comments that are at variance with those of the clearinghouse need be included as attachments to the clearinghouse comments. The reason for this rule is twofold:

- To assure that the funding agency gets the full range of local views on any project; and
- To assure all those who do present views on a given project that those views will be considered by the funding agency in the final evaluation of the proposal.

While this is already the practice of many or most areawide clearinghouses, there have been instances where individual jurisdictions, agencies, or organizations have expressed discouragement at participating in the review process because they felt that their views were not reflected - adequately or at all - in the comments of their clearinghouses. This new provision should promote higher level confidence in the process on the part of those making inputs to it.

(2) One important thrust of both statutes on which A-95 is based is to promote the primacy of general purpose over special purpose units of local government. Therefore, in the case of applications from special purpose units, clearinghouses must involve any general purpose unit in the jurisdiction of which the project will be located in the review to assure that functions of the latter are not being preempted. If the general purpose unit is contemplating a similar project, as indicated by the review, the Federal agency must give it preference. If it cannot, it must justify the award to the special purpose unit.

(3) No matter how jurisdictional lines are drawn for areawide clearinghouses, there will always be some spillover of impact between adjacent clearinghouses. This is particularly true for heavily urbanized areas, especially in the great "megalopolis" such as the Boston to Washington urban strip where SMSAs are contiguous for hundreds of miles. Therefore, it is important that adjacent areawide clearinghouses establish arrangements to coordinate joint planning and review for spillover activities.

d. Subject matter of comments and recommendations.

Paragraph 5 indicates some of the aspects of project proposals to which clearinghouses may want to address their comments. Most of these are taken verbatim from Title IV of the Intergovernmental Cooperation Act and Section 102(2)(c) of the National Environmental Quality Act.

However, the list of items or considerations under Paragraph 5 are suggestions only. The clearinghouse need not address each question, nor is it constrained by Paragraph 5 from discussing any aspect of a proposal, whether or not listed. And, of course, as noted above, the clearinghouse need not comment at all on any given proposal. In fact, clearinghouses should try to develop a screening process to weed out projects with no areawide or interjurisdictional spillover, so that they may devote their review resources to projects with potential intergovernmental

impact. However, individual Mayors or County Boards of Supervisors may wish to look at all projects proposed in their jurisdictions. When such requests are made of clearinghouses by individual jurisdictions, the clearinghouses will assure them such opportunity and make sure their comments are transmitted to the applicant.

e. Federal agency procedures.

Paragraph 6 notes the obligations of Federal agencies to assure that applicants are informed of A-95 requirements and that they understand that applications that have neglected these requirements will not be considered. They are also required to inform the reviewing clearinghouses of any major substantive action taken on each application. A new provision would oblige the funding agency to provide the clearinghouse with a written explanation, when it has approved an application that the clearinghouse has recommended be disapproved or approved only with substantial modification.

The reason for these feedback provisions (information of action taken and explanation of contrary action on negative recommendations) centers on the role of the clearinghouse as a comprehensive planning agency. Timely information on what or what is not going to happen and an understanding of why something that may be contrary to State, regional, or local plans is going to happen is critical to the comprehensive planning process. Depending on Federal action, adjustments in planning assumptions and projections and of various elements in the plan may have to be made, if it is to be a useful guide to development in the area.

f. OMB Circular No. A-102.

Paragraph 7 deals with the relationship between A-95 and Attachment M of Circular No. A-102. Attachment M establishes a standard preapplication for certain categories of Federal grants, primarily for construction. Its purpose is to expedite reviews of these proposed projects and to save applicants the cost of preparing detailed plans for projects that may not be fundable. To require applicants to go through the A-95 review prior to the preapplication would defeat, in some measure, the objectives of A-102. On the

other hand, a major objective of A-95 is coordination. The need to expedite and the need to coordinate are always at war. Thus, if the applicant is told by the funding agency that it has a potentially fundable project and later on, in the course of A-95 review, it turns out that the project has serious problems adverse comment from the clearinghouse, the applicant will feel thwarted, even though a positive response on a preapplication is no guarantee that the project will, in fact, be funded. Neither the applicant, the clearinghouse, nor the Federal agency wants to be put in such a position.

The answer, under Paragraph 7, is to send a copy of the preapplication to the clearinghouses at the same time that it is submitted to the funding agency. Then, if a clearinghouse sees possible problems with the project, it will signal the funding agency and the applicant. If the project is otherwise deemed fundable, the Federal agency may then respond conditionally (if it deems the clearinghouse concern well-founded) to the effect that the project appears fundable to the extent that no substantive problems are disclosed in the subsequent A-95 review. The applicant himself may decide, also, on the basis of clearinghouse comments to pull back the preapplication for modification.

After the funding agency responds to the preapplication, the regular A-95 review process is undertaken. However, due to the earlier exposure of the clearinghouse to the proposal, identification and resolution of issues should be facilitated and the review expedited or even obviated.

The A-102 preapplication form contains much the same kind of information as does the A-95 notification. As experience is gained with the A-102 preapplication process, it may be desirable to utilize that form for A-95 purposes. While many clearinghouses have developed their own forms, use of a standard form may offer advantages for information tracking and transfer purposes. It may also be possible to meld the process for delivering information on grant awards under Treasury Circular No. 1082, formerly OMB Circular No. A-98, into a coordinated process with A-95 and A-102. Current pilot studies on regional grant information systems under the auspices of the New England and Southwest Federal Regional Councils may contribute to fulfilling this potential.

g. Housing programs.

Paragraph 8 describes the specialized review process devised to cover Federal housing assistance programs of HUD, USDA, and VA. The review process is shortened for these programs, and the formal relationship is between the Federal agency and the clearinghouses rather than between applicant and clearinghouses. A minimum size is set for housing projects subject to review, and the requirement applies only to new construction, but it does cover loans, loan guarantees, mortgage insurance or other housing assistance.

Basically, the process works like this: a developer will submit an application to the Federal agency, that is preliminary in nature, the purpose of which is to establish the feasibility and/or eligibility of the proposed project for the type of assistance sought. The application contains a description of the project, detailed enough for evaluation purposes but lacking detailed construction plans. The Federal agency will send copies to the clearinghouses which have 30 (formerly 15) days to review it and to submit any comments back to the agency. The 30-day period is a floor, and agencies will generally accept comments up until the time (beyond 30 days) when their own evaluation is complete.

Some HUD offices have been urging developers to contact the clearinghouses - particularly the areawide clearinghouses - prior to submittal of applications. This enables the developer to acquaint himself with the review process and, in the case of any particular project, to identify any major potential difficulties that could cause delay or even rejection of the project.

The size of proposed housing projects subject to review has been lowered substantially. Moreover, since the relative impact of project size may vary with the size of the community, a distinction has been made between urbanized and other areas. "Urbanized" is described as a city of 50,000 or more plus contiguous areas having a population of 100 or more per square mile. For urbanized areas, the floor is

subdivisions of 25 lots or multifamily projects of 50 units. Comparable figures for other areas are 10 and 25. Mobile home courts (50/25 spaces) and college housing (200/100 students) follow the same pattern.

When housing programs were first put under A-95, it was expected that the main interest of the clearinghouses would be in their utility in indicating the scale and direction of urban growth. As it developed, areawide clearinghouses were not content to simply receive and digest information about probable housing starts. Housing reviews have tended to focus on the impact of proposed projects, individually and collectively, on the supply of facilities and services in place or needed to serve the new inhabitants of these developments. Many of the clearinghouses conscientiously developed checklists and canvassed area and local agencies on the sufficiency or adequacy of:

- Water and waste disposal facilities and services,
- Transportation,
- Schools,
- Police and fire services,
- Hospitals and health services, and
- Recreational facilities and services.

Moreover, fundamental environmental questions were considered: adequacy of soils to support proposed development and tree cutting, grading, and runoff problems. Similarly economic impacts - especially on the local tax base - were considered by many in evaluating housing developments.

h. Exceptions.

Paragraph 9 provides a means by which Federal agencies may seek to except certain categories of projects from A-95 review. Various criteria are set forth by which OMB will evaluate requests for exceptions. These include (1) lack of geographic identity, (2) smallness of scale, (3) purely local impact, or (4) other characteristics that would make review impractical. OMB as a matter of policy consults with major public interest groups representing State and local government before granting any exception.

Where exceptions are granted the applicant is still required to file a copy of the application with the appropriate clearinghouse. If the clearinghouses should see any problem with the proposal, these can be communicated directly to the funding agency.

Individual clearinghouses may, themselves, also except programs or categories of projects from applicants within their jurisdictions, under such circumstances as may seem practical.

Although OMB has granted few exceptions, and the same may be true for clearinghouses, the inclusion of a greater number of social programs under PNRS coverage may disclose more situations where exceptions are practical and feasible than the construction programs have in the past. This is because small scale, more sharply focussed projects will tend to be more frequent under various of the social programs. Clearinghouses without previous experience with social programs will need to exercise considerable caution and may need to rely much more on the expertise of its member jurisdictions and other agencies and organizations in the area.

A question related to exceptions but not dealt with in the Circular involves the end of the fiscal year syndrome and other emergency situations where applications must be submitted by a previously unknown date which does not allow time for a full A-95 review. When an agency informs OMB of this situation, it has been OMB practice to instruct the agency to tell the applicants that they must inform the clearinghouses of the situation and provide as much time as possible for review. Further, a copy of the application must go to the clearinghouses at the same time (or earlier) as it is submitted to the funding agency with notice that the funding agency will consider any comments sent to it until such time as it has completed its own review of the application. This may not be entirely satisfactory, but it is a fact of life, given erratic funding and appropriations timing under various programs. Most clearinghouses have attempted to accommodate to this circumstance in providing service to their clientele.

4. Coverage under Part I.

The revision of November 1, 1973, expands the coverage of PNRS to a wider array of human resource programs in the areas of health, education, and manpower. While there

have been a number of human resources programs (Community Action, law enforcement, juvenile delinquency, etc.) under earlier coverage, many or even most areawide clearinghouses have been primarily oriented to physical development. Nevertheless, in dealing with these problems, they have, inevitably, had to deal with human resource questions. The interfaces between transportation and employment, for instance, or health and the environment has led many to develop considerable sensitivity to these relationships. Moreover, a good many of the areawide clearinghouses, are also, variously, law enforcement planning agencies, comprehensive health or manpower planning agencies, as well as comprehensive land use and physical development planning agencies and consequently have developed some expertise in those areas.

However, the most important capability for a clearinghouse in undertaking review responsibility for a variety of new programs in areas in which they may have relatively little staff expertise is the ability, first, to identify the relationships between any proposed project and other functional areas; and, second, to identify the agencies in the area that can provide critical and/or expert inputs into the review. Few clearinghouses have the resources to employ all of the expertise they need to carry on the A-95 review for all programs covered, even before expansion. Inevitably, most clearinghouses have to turn to other agencies, public and private, to supply expert analysis to supplement their own.

As a general guide to coverage, reference should be made either to Attachment D or to the Catalog of Federal Domestic Assistance, whichever bears the latest date. Because of some confusion in funding status, the June, 1973, Catalog does not reference a number of programs that have been subsequently funded. It also does not reference a number of newly established programs. These are referenced in Attachment D of the November 13, 1973, revision of A-95. As a general principle, programs which may not be funded at the time of issuance of the November 13 revision and are therefore not referenced but are funded subsequently will become covered if they have been previously covered. Clearinghouses will be specifically informed, when and if such circumstances occur, by A-95 transmittal memoranda or the Catalog, whichever is more expeditious.

A further element of coverage may be provided under State law. A number of States have, in effect, built A-95 into State law and have provided for a broadened coverage, such as for all applications for Federal grants emanating from State agencies. Paragraph 3.a. of the main body of the Circular provides that in such States the pertinent Federal program agencies will respect the additional State requirement, unless it is determined that to do so would be inconsistent with the Federal program statute and the objectives of A-95.

5. Additional questions on Part I.

a. Financial support for A-95 reviews. There is no specific financial support provided by the Federal Government to assist clearinghouses bear the costs of the A-95 review. The HUD "701" program recognizes A-95 as an eligible work item on the annual programs of 701-assisted agencies that are also A-95 clearinghouses. Other agencies are encouraged, where their program legislation would permit, to assist clearinghouses in shouldering A-95 costs.

A closely related question is that of fees for clearinghouse review. OMB does not feel that it can prevent clearinghouses from trying to charge applicants fees for reviewing their applications pursuant to A-95. At the same time, OMB does point out to applicants that they are under no obligation to pay a fee for such a review. The only obligation of the applicant is to give the clearinghouse an opportunity to review his application. If the clearinghouse does not take advantage of that opportunity within the allotted time, the applicant is free to submit his application to the funding agency with a statement to the effect that he has followed the requirements of A-95 and has received no comment from the clearinghouse.

Aside from this, it is the OMB view that fees are undesirable, as they are conducive to log-rolling and other practices not in keeping with the objectives of A-95. Support for A-95 reviews from whatever source preferably should not be on a per project basis, but should be generalized, so that there can be no suspicion that any individual project is endorsed because of the review payment attached to it.

b. Relationship of A-95 and Environmental Impact Statements

There has been considerable confusion as to the role of the clearinghouses in implementing Section 102(2)(c) of the National Environmental Quality Act which deals with environmental impact statements (EIS). Section 102(2)(c) calls, in effect, for inputs into the development and evaluation of EISs by State and local agencies authorized to develop and enforce environmental standards. The A-95 clearinghouses provide a vehicle for securing these inputs, and the review process specifically represents the means by which such inputs into the development of the EIS can be achieved.

These relationships are spelled out in detail in "Preparation of Environmental Impact Statements: Guidelines," Federal Register, Vol. 38, No. 147 - Wednesday, August 1, 1973, Appendix IV, p. 20562.

c. Part I coverage of formula grants.

Many formula grant programs require State plans which are covered under Part III of A-95. However, many of these State plans are quite generalized in nature and give little information about the specific projects that will be funded under them. In some cases, therefore, these programs will also be listed under Part I so that clearinghouses and their clientele may have an opportunity to react to specific project proposals. Thus, when a formula grant program is listed under Part I, it is not the State plan or the State application for its allotments that is to be reviewed but applications for funding of specific projects or subgrants.

It should be noted that, for some of the formula grant programs that require PNRS review of specific project applications, the State agency which administers the formula grant has final signoff authority over such applications. In other words, it approves or disapproves the subgrant with no requirement to get Federal agency concurrence. Examples are law enforcement assistance subgrants and library construction subgrants. This does not obviate the need for clearinghouse review. If the advice and recommendations of clearinghouses can be useful to Federal administrators in evaluating project applications, they should be equally useful to State program administrators.

d. The Federal interest in PNRS.

While it should be obvious enough, Federal agencies administering the Federal taxpayers' dollars have an obligation to see that program funds are used as effectively as possible. Therefore, the potentialities under PNRS for revealing possible conflicts that could cancel out the beneficial effects among Federal programs or between jurisdictions can help the Federal administrator fulfill this obligation. Or, put more positively, PNRS can reveal opportunities for improving projects by making them more complementary or combining them, thus reducing, not only conflict, but expensive duplication. As noted earlier, Federal internal review procedures may be effective in evaluating a proposed project in its own terms, but they will not generally reveal the external impacts of a project that can make or break it. However, positive clearinghouse comments - or even "no comment" - can give reassurance to the Federal administrator that external effects of a project are either beneficial or minimal.

PART II: DIRECT FEDERAL DEVELOPMENT

Part II requires that Federal agencies engaged in direct development of Federal projects such as Federal civil works, military or scientific installations, public building, etc., must consult with State and local governments that might be affected by those projects. Where projects are not in conformity with State, regional, or local plans the Federal agency will be required to justify any departures. The requirement applies not only to construction but to the acquisition, use, and disposal of Federal real property.

Of particular note is the definition of "direct Federal development" in the definitions section of A-95 (Part V). The definition includes not only development undertaken by Federal agencies but development undertaken for the use of the Federal Government or any of its agencies. Thus, Federal lease-purchase developments or developments undertaken specifically for lease or sale to the Federal Government would be included.

In addition, in the preparation of environmental impact statements pursuant to Section 102(2)(c) of the National Environmental Policy Act, these Federal development agencies

are required to seek the views and comments of State and local environmental agencies. Regulations of the Council on Environmental Quality indicate the clearinghouses as the appropriate channel through which to secure the required State and local views and comments.

The clearinghouses designated pursuant to Part I of the Circular provide the most effective vehicle available to Federal development agencies to assure that all appropriate State and local agencies are consulted on proposed projects. The clearinghouses are generally the State, metropolitan, or regional comprehensive planning agencies; and in conducting the PNRS reviews they have occasion to identify the interests of all development agencies at State and local levels. Thus, Federal agencies will generally need to touch base with clearinghouses in any event. And while the nature of Federal development with its variable congressional and executive constraints may not always lend itself to the project notification and review system procedures per se, the clearinghouses can greatly facilitate the consultation required under Part II of revised Circular No. A-95.

One element that has been somewhat confusing to clearinghouses and others is a transplant from another OMB Circular - A-57 - that has been rescinded. This requirement applies to Federal medical facilities such as VA or military hospitals. It requires Federal agencies contemplating development or expansion of such facilities costing over \$200,000 to have their proposals reviewed by State and areawide comprehensive health planning agencies (314a and 314b). These reviews are to assist OMB in evaluating the proposals for Federal budgetary purposes. Since the A-95 clearinghouses will also review many or most such proposals under Part II, provision is made for the clearinghouses as the point of entry into the review system through which the reviews of the required health planning agencies will be secured.

PART III: STATE PLANS AND MULTISOURCE PROGRAMS

Numerous Federal assistance programs require, as a condition of assistance, submission of State plans (or "operational plans," "plans of work," etc.). These are highly variable in nature and content. While some are plans in the normal sense - "What do I want to do and how I am going to do it" -- others only indicate the basic administrative apparatus through which the program will be carried out. However,

associated documentation required to be prepared or submitted on a periodic basis will generally provide information as to the specific activities for which program funds will be spent, even though this information does not appear in the "plan" itself.

A guide to programs requiring State plans may be found in Appendix II of the Catalog of Federal Domestic Assistance. At any given time, however, this may not be all inclusive.

Part III requires that Governors be given an opportunity to review such plans or associated documents indicating proposed program activities. This will permit the Governor to relate development strategies among the various federally supported State programs to each other and to any overall strategies developed through the State comprehensive planning process. Because many of these State plans will have strong implications for areawide or local plans and programs, Governors are encouraged to involve areawide clearinghouses in Part III reviews, wherever appropriate.

Analogous to State plans as a precondition for Federal assistance are the plans or annual work programs that provide the basis for funding of related projects from various program sources. The prime example is the Integrated Grant application. Others listed under Part III are areawide manpower plans, the DOT unified work programs, and EPA's consolidated program grants. Others may be added to the list as they are developed.

Unlike the State plans, the multisource programs are reviewed by State and areawide clearinghouses. However, 45 days are also provided for the review. Reviews of multisource programs can obviate review of the individual projects that may be under programs covered by Part I and are included in the multisource program. At the very least, such reviews, where deemed necessary, should be substantially expedited.

PART IV: COORDINATION OF PLANNING AND DEVELOPMENT IN MULTIJURISDICTIONAL AREAS

Part IV of the Regulations was originally developed to offset a growing tendency among Federal programs to promote the establishment of areawide planning activities that were uncoordinated geographically, functionally, or organizationally. In nonmetropolitan areas this has meant a serious

drain on already limited planning resources. In metropolitan areas it has intensified confusion and general duplication of effort.

Part IV of the Regulations is closely related to Part I. By encouraging the States to develop systems of substate planning areas, it sets the stage for a more complete geographic coverage of the Project Notification and Review System. Similarly, the PNRS, by requiring clearinghouse review of projected planning and development activities under various Federal programs, sets the stage for the more systematic and continuing planning coordination envisioned under Part IV.

Originally, the primary thrust of Part IV was to bring a measure of conformity, or at least consistency, in the geography of planning areas. This is an important precondition of effective coordination arrangements among various areawide planning activities. As States have developed substate district systems - most have, and a majority are fully operational - and as progress has been made in conforming federally designated planning areas with them, the thrust and emphasis has moved to improving arrangements for fully coordinating areawide functional planning with the comprehensive planning carried on by the substate district organizations.

In 1972, OMB asked the major public interest groups representing State and local government* to evaluate Federal agency implementation of Part IV. A major recommendation of that study was that Federal agencies utilize, to the greatest degree possible, the substate district organizations (called "umbrella multijurisdictional organizations" - "UMJOs" - in the study) to meet areawide planning requirements. The UMJOs were described as being predominantly composed of elected officials of general local government. Where responsibility for carrying out areawide functional planning is vested in an agency other than the UMJO, the study recommended that policy control be vested in the UMJO. A policy statement embodying these general ideas has been adopted by most of the public interest groups participating in the study.

*Council of State Governments, National Governors' Conference, National Legislative Conference, National League of Cities, U.S. Conference of Mayors, National Association of Counties, and International City Management Association.

The Advisory Commission on Intergovernmental Relations,* in a massive study of substate regionalism, adopted similar recommendations, although substantially stronger.

The current revision of Part IV moves in the direction of the general thrust of the public interest group and ACIR recommendations. It does this in two ways:

- It encourages, but does not require, Federal agencies administering programs assisting or requiring areawide planning to utilize the substate district organizations (almost always A-95 clearinghouses) to carry out such planning.
- It requires that the regulations of programs supporting areawide planning provide for a memorandum of agreement, when the organization being funded for areawide planning is not the district organization, between that organization and the district organization. In the case of interstate metropolitan areas, the required agreement would be between the interstate A-95 areawide clearinghouse and the applicant agency. The memorandum of agreement would identify the means by which the two would coordinate their related planning activities.

The agreement would cover any provisions for joint studies and utilization of resources, organizational arrangements, and utilization of common and consistent statistics, projections, and assumptions about the area and its future. The latter is extremely important, both in terms of resource savings and in eliminating one of the basic sources of plan conflicts.

The achievement of these coordinative arrangements, then, is a necessary concomitant effort with conforming boundaries; for a common territorial base by itself does not assure coordination. There must be contact, communication, and cooperation between organizations planning for various aspects of area development for that to occur.

*The ACIR is a statutorily established intergovernmental research organization, the membership of which represents Federal and State executive and legislative branches, counties, municipalities, and the public.

While Part IV indicates the various subject matter to be covered in the agreement, it does not prescribe the form or substance of the agreement. Those are matters to be negotiated between the two organizations. Where an agreement cannot be consummated, Part IV provides that the organization applying for assistance must indicate in the application the issues which have prevented agreement. The funding agency, in cooperation with the Federal Regional Council and the State clearinghouse, would assist the two organizations to resolve the issues and conclude an agreement. If no resolution is possible after 30 days the funding agency could award the grant, if the application is otherwise in good order. Of course, it could also refuse to award the grant unless an agreement were concluded.

If the applicant organization is applying for areawide planning assistance for an area less than or not coterminous with that of the substate district (or the A-95 areawide clearinghouse jurisdiction in the case of interstate metropolitan areas), it would have to develop memoranda of agreement with each substate district (or interstate areawide clearinghouse) into which that area extends.

The major programs assisting areawide planning (not necessarily exclusively) are:

- HUD: Comprehensive planning (701) program.
- DOT: Urban highway planning; mass transportation planning; airport systems planning.
- EPA: Water quality management planning; air pollution control planning; solid waste planning.
- HEW: Comprehensive health planning (314b); planning for the aged.
- DOL: Areawide manpower planning.
- USDA: Resource conservation and development planning.
- OEO: Community action planning.
- EDA: Economic development district planning.
- ARC: Local development district planning.
- LEAA: Law enforcement planning.

SUMMARY

OMB Circular No. A-95 is fundamentally an effort to create a climate where intergovernmental cooperation can take root and flourish. It does this by creating opportunities for contact and communication within and among the several levels of government. This contact and communication is a necessary precondition for coordination.

In order to take full advantage of those opportunities, it is important that the various actors think of the requirements as opportunities, rather than as administrative obstacles:

- The applicant should recognize the opportunity to develop a better project through avoidance of conflict and the discovery of means for getting the most value for its investment.
- The Federal agency should recognize the opportunity for increasing program effectiveness through the same means and through applicant awareness of the need for sound planning and coordination.
- The clearinghouses should recognize the opportunities for providing real service to applicants which will enhance clearinghouse credibility and status as a constructive force in the area or in the management of the State government.

In sum, the regulations promulgated under Office of Management and Budget Circular No. A-95 are aimed at promoting more effective coordination of planning and development activities carried on or assisted by the Federal Government. The major device of A-95 is encouragement of systematic communications between the Federal Government and State and local governments carrying out related planning and development activities. Used judiciously by State and local governments and regional bodies, the processes set forth in A-95 can result in more expeditious, more effective, and more economical development of physical, economic, and human resources.

PROJECT NOTIFICATION AND REVIEW SYSTEM

The following outlines the process of the "Project Notification System" developed to implement, in part, Title IV of the Intergovernmental Cooperation Act.

- Step 1. Potential applicant desiring Federal assistance makes inquiries of Federal agency.
- Step 2. Funding agency informs applicant that, among other things, it must notify both State and areawide clearinghouses about the project for which it intends to apply for assistance.
- Step 3. Applicant notifies clearinghouses.
- Step 4.a. State clearinghouse notifies State agencies which might have programs affected by proposed project, including where appropriate, environmental agencies and State agencies responsible for enforcing or furthering the objectives of civil rights laws.
- 4.b. Areawide clearinghouse notifies local government agencies whose interests might be affected by the proposed project including, where appropriate, local and regional environmental agencies and public agencies responsible for enforcing or furthering the objectives of civil rights laws.
- Step 5. State agencies or local governments inform clearinghouse of interest, if any.
- Step 6. Clearinghouse arranges conferences with applicant within 30 days of notification pursuant to its own or other State or local interest.

Step 7. Conferences are held to:

- a. Explore project in greater detail.
- b. Identify possible conflicts or mutuality of interest.

Step 8. If continuing interest, applicant and clearinghouses (with any State or local interest), cooperate in developing application to:

- a. Resolve conflicts.
- b. Strengthen project.

Step 9. If conflicts are not resolved, clearinghouse notifies applicant that it will have comments to accompany the application. (Note: Conflicts may arise as between clearinghouses or particular local governments as to the merit of a project, so such comments may be variously supportive or critical.)

Step 10. Applicant submits final application (or adequate project description) to clearinghouse(s) for comment, providing 30 days therefore.

Step 11. Clearinghouse(s) submits any formal comments of its own or of particular State agencies or local governments to applicant.

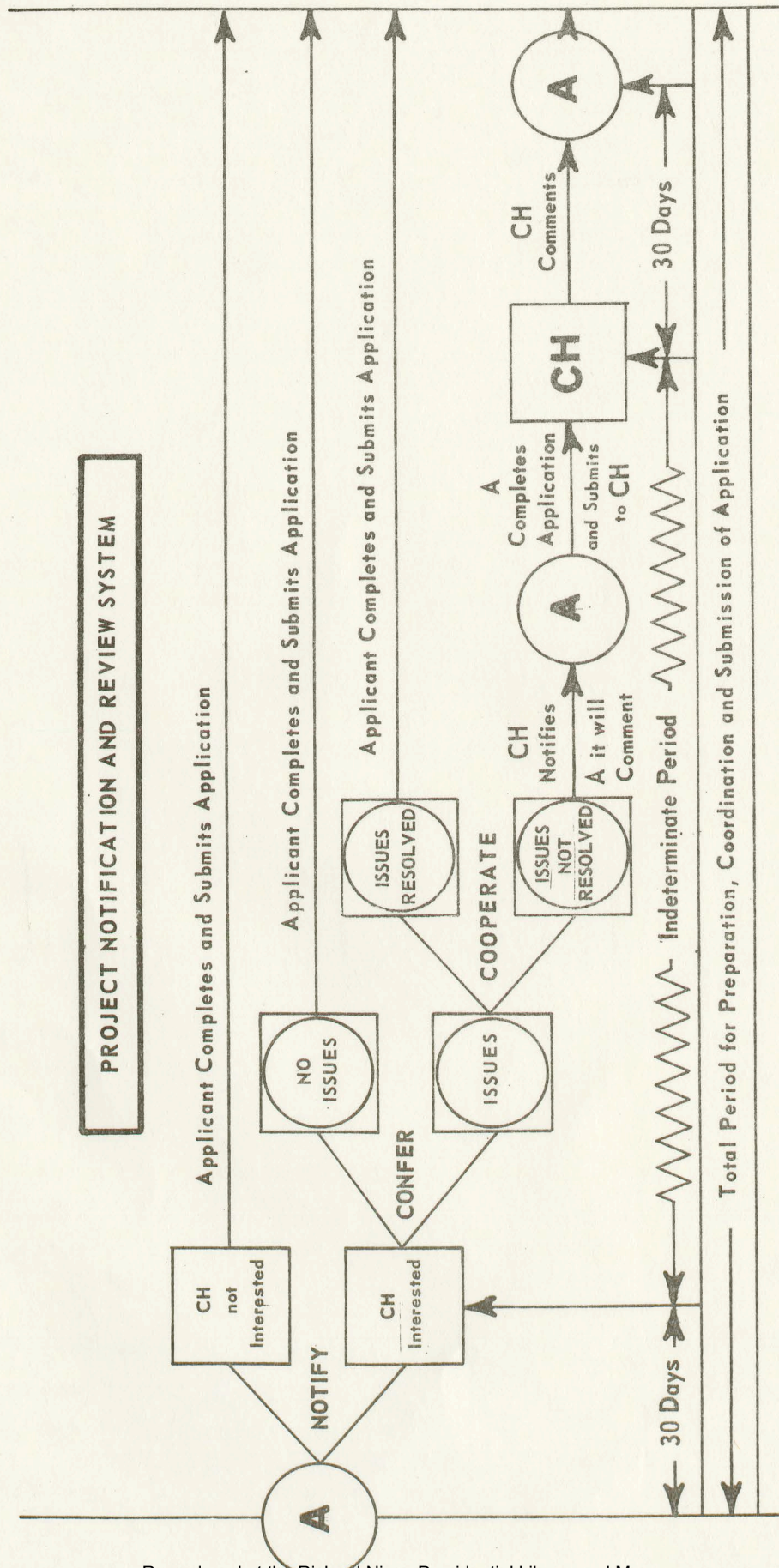
Step 12. Applicant submits application to funding agency, including comments, if any, or, if none, a statement that requirement has been followed.

Step 13. Funding agency considers application and comments and informs clearinghouses of action taken thereon.

It is possible for the process to come to a satisfactory conclusion at the completion of Steps 5, 7, or 8, as well as of course, Step 13. At either of the earlier Steps, clearinghouses can inform applicant of general satisfaction with the project and that they will have no (or supportive) comment. In such case, the applicant completes the application and submits it to the funding agency with a statement that the requirement has been followed (or with any supportive comment).

Step 13. Information to clearinghouses on action taken on the application by the funding agency is, of course, always required.

In cases where the funding agency approves an application on which a clearinghouse has recommended disapproval, the funding agency must supply the clearinghouse, in writing, its reasons therefor.



KEY

(A) Applicant

[CH] State or Areawide Planning and Development Clearinghouse

TWENTY QUESTIONS AND ANSWERS ON OMB CIRCULAR NO. A-95

In connection with the review of the proposed revision of OMB Circular No. A-95 by State and local governments, a number of questions about A-95 were directed to OMB. In the hope that it will help clarify OMB policy on A-95, twenty of the more frequently asked questions are addressed below. Some of these have been touched upon in the preceding text.

1. Q. Does OMB Circular A-95 authorize regional clearinghouses to approve applications for Federal funding from local government?
 - A. No. Comments made by clearinghouses (or others) on applications for Federal assistance are advisory only. They, along with other information in or accompanying an application, assist the funding agency in evaluating the project for which assistance is sought.
2. Q. Are negative comments by regional clearinghouses to be utilized by Federal agencies as a local veto of proposed applications?
 - A. No. See above. However, A-95 does require that, if the funding agency approves a project for which a clearinghouse has recommended disapproval, the funding agency must provide the clearinghouse with an explanation as a matter of courtesy, information, and accountability.
3. Q. Does OMB Circular A-95 require regional clearinghouses to transmit their comments on proposed applications directly to the Federal agency?
 - A. As a general rule, no. The comments are transmitted to the applicant and must accompany the application. Exceptions center on housing programs where the Federal agency sends the preliminary application to the clearinghouses which transmit any comments back to the agency.
4. Q. If the regional clearinghouse fails to comment on a proposed application within the 30-day limit, or the additional 30 days granted for extenuating circumstances, does it lose its opportunity to comment if the applicant files the application with the Federal agency anyway?

A. Not exactly. During the first 30 days, it is not so much a question of the clearinghouse submitting comments as of contacting the applicant and letting him know that the clearinghouse is examining the project or of any potential problems uncovered. The second 30 days may follow immediately on the first, if the application has been completed. However, often appreciable time - sometimes months - will pass before application is completed and the second 30 days begins. All during the intervening time, the applicant and the clearinghouse may be working together to resolve any issues that may have surfaced. To recapitulate, the applicant is only off the hook during the first 30 days, if he has received no word from the clearinghouse, or at the end of the second 30 days if he has received no written comments from the clearinghouse. Of course, the clearinghouse may provide comments or otherwise sign off on an application at any time from receipt of the notification to the end of the second 30 days. An ACIR survey shows that most reviews are concluded during the first 30 days.

5. Q. What is the Federal agency's responsibility to the applicant when negative comments by a regional clearinghouse are forwarded with the application?

A. The Federal agency's responsibility to the applicant, whether clearinghouse comments are supportive or critical, is the same: to provide a fair assessment of the quality of the proposed project in the light of available information, including clearinghouse comments.

6. Q. Must regional clearinghouse comments be cleared through a voting procedure by the clearinghouse membership? If so, may the clearinghouse limit those members who vote on a particular application to those jurisdictions who provide a service common to the subject matter of the application project?

A. A-95 does not prescribe voting procedures nor the manner in which clearinghouses conduct reviews. That is strictly a local determination. A-95 requires only that time constraints (see Q.4.) be observed and that clearinghouses make a conscientious effort to identify jurisdictions and agencies whose plans or programs

might be affected by a proposed project and give them an opportunity to participate in the review. In short, A-95 clearance procedures are determined by the board of the clearinghouse. They may not limit participation in the review to jurisdictions which provide a service common to the subject matter of the application project, but should involve any jurisdiction the plans or programs of which may be affected by the project. Thus, a jurisdiction having no drug abuse programs may have law enforcement programs that give it a legitimate interest in a proposed drug abuse project.

7. Q. May regional clearinghouse members file their own comments in addition to those forwarded by the clearinghouse itself? If so, how can they be sure that their comments are forwarded by the applicant to the Federal agency?

A. Yes. Individual member jurisdictions of clearinghouses and others may file separate comments. A-95 provides that, if they are at variance with clearinghouse comments, they must be attached to the clearinghouse comments.

8. Q. What is the Federal agency's responsibility if dissenting comments are filed by individual clearinghouse member agencies which do not agree with the comments of the clearinghouse itself?

A. All comments received through the A-95 review are for the purpose of assisting the funding agency in deciding whether or not to approve a project. To know that a proposal is the subject of local controversy is useful information that may lead the funding agency to investigate more thoroughly before taking action pro or con on an application.

9. Q. Must the staff review for a clearinghouse be undertaken only by clearinghouse staff or may local governments participate with their own staff?

A. Any local government involved in an A-95 review (as a clearinghouse member or by referral) may choose to have its own staff do an independent review. Many

areawide clearinghouses do have formal arrangements through technical committees, A-95 review committees, consultation arrangements, etc., for involving staffs of local governments and agencies in the review process.

10. Q. If the clearinghouse does not have qualified staff to review social services applications and it refuses to use the capabilities of member agency staff, how can the applicant be assured of a fair and just analysis of his proposal?

A. There is no way, under any programs, social or other, that the applicant can be assured of a fair and just analysis of his proposal. There are some obvious, if limited safeguards. First, the applicant can tender a rebuttal to the comments he receives from the clearinghouse and which he must submit with his application. Second, OMB and the funding agencies do want to be apprised of flagrant abuses of A-95 from whatever quarter. Also, see answers to questions 6, 7, 8, and 9. However, in the last analysis, as in many intergovernmental matters, there has to be some reliance on good judgment and good will.

11. Q. If the applicant is the sole or major provider of social services to the entire clearinghouse region, how can it be safeguarded from irresponsible comments developed by the clearinghouse for political or other purposes; especially, if the majority of the membership does not have its own technical staff capability to judge the quality of proposed clearinghouse comments?

A. There is no absolute protection against irresponsibility. However, see answers to questions 6, 7, 8, and 9. The question also indicates an unawareness of a quality or aspect of the A-95 review that is frequently missed: that is, the major contribution of A-95 review is the disclosure of the external impacts of a proposed project. Not only may the review disclose relationships of the project with projects of similar type that overlap, duplicate, or offer opportunity for cooperation but to activities planned or proposed in other functional areas that might impact upon or be impacted by the proposed project. There are, for instance strong, although not always obvious, connections between employment and transportation or between health and housing. One of the most important capabilities a clearinghouse can have is

the ability to identify these potential linkages in connection with a project under review. Then, the experts can be brought together to consider positive or negative aspects of such linkages.

12. Q. In clearinghouse regions where a local general purpose government has political jurisdiction over the entire area, must the areawide clearinghouse membership consist of other local general purpose governmental units? Does OMB Circular No. A-95 preclude a single local government from being designated as an areawide clearinghouse?

A. Not necessarily. There are clearinghouses whose only formal members are counties, although municipalities may participate. There are single county metropolitan areas where the county planning agency is the clearinghouse. However, this is usually a matter of State law or precedent or of local option. A-95 does not specify clearinghouse organizational format. It should be remembered, however, that A-95 is a tool for fostering and assisting intergovernmental cooperation and coordination; therefore, consensus on clearinghouse arrangements and participation of all jurisdictions in an area in the review process is highly desirable.

13. Q. What are the Federal requirements for the designation of institutions for clearinghouse purposes, or for their redesignation.

A. OMB has not laid down hard rules on designation. The clearinghouse should have or be developing a comprehensive planning capability. Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 requires that metropolitan areawide clearinghouses should be composed to the greatest extent practicable of local elected officials. The area of jurisdiction of a metropolitan clearinghouse should cover the whole of the urbanized area, although there are a few cases, in interstate areas, where a marginal element of the urbanized area is across the State line and the clearinghouse jurisdiction is wholly in one State. There are other cases where the urbanized area extends into two or more SMSAs and the clearinghouse jurisdiction includes more than a single SMSA. Most redesignations involve mergers of COGs and regional planning commissions or redefinitions of jurisdictional coverage--usually expansions. Most requests

for redesignation arise locally or from the State. Where requests are local in origin, OMB will seek the concurrence of the Governor through the State clearinghouse before making the change. Governors, of course, have sole responsibility for designating nonmetropolitan areawide clearinghouses.

14. Q. Is there a process within OMB for the periodic review of designated clearinghouses and their changing roles in the region?

A. No.

15. Q. Does OMB Circular A-95 permit governmental units within a single SMSA to form their own clearinghouse when they are located in a large metropolitan area consisting of several SMSAs?

A. OMB will recognize, generally, only one clearinghouse in an area, although some State designated clearinghouses covering large nonmetropolitan areas will sometimes include a small metropolitan area which has its own clearinghouse. However, in large metropolitan areas, there are sometimes subregional comprehensive planning agencies of the COG-type (or other) which may serve, by agreement with the areawide clearinghouse, as the lead review agencies for projects within the subregion. Such arrangements are a matter of local determination. The OMB Directory of Clearinghouses, however, would only list the areawide clearinghouse.

16. Q. How do localities request a redesignation of clearinghouse responsibilities for their area?

A. In the case of nonmetropolitan areas, such requests are directed to the Governor, for metropolitan areas to the Office of Management and Budget.

17. Q. Why doesn't A-95 provide that Governor's designate metropolitan areawide clearinghouses as well as State and nonmetropolitan areawide clearinghouses?

A. OMB has retained the right to have "the last word" on metropolitan clearinghouses primarily to assure that heavily urbanized areas are not fragmented jurisdictionally for areawide planning purposes. This is

a principal thrust of Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 on which A-95 is partially based and is of special significance in interstate metropolitan areas. However, as a matter of policy, OMB has always sought the concurrence of the Governor prior to making any new or amended designations. In point of fact, many or most recommendations for clearinghouse designations in new SMSAs or changes in metropolitan clearinghouse jurisdictions originate in the Governors' offices.

18. Q. The New Federalism is supposed to favor units of general local government, but A-95 seems to place areawide clearinghouses over cities and counties. How do you reconcile this contradiction?

A. A-95 does not put clearinghouses "over" local general purpose units of government. Areawide clearinghouses are generally--unless otherwise provided by State law--associations predominantly composed of units of general local government. They are also comprehensive planning agencies whose primary business is "putting it all together" in terms of reconciling the plans and programs of individual local jurisdictions to create areawide physical, social, and economic development strategies. A-95 provides--insofar as federally assisted planning and projects are concerned--that the development proposals of any individual jurisdiction are subject to an evaluation by the peers of that jurisdiction (i.e., other units of general local government) for their relationships to areawide development strategies and to the plans and programs of its neighbors. Since Section 401(c) provides that, "(To) the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning," A-95 clearinghouse (especially of the COG-type) reviews seem to provide the best and most equitable mechanism for implementing that congressional mandate. That law as well as Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 simply recognizes that the actions of one

jurisdiction or functional agency may have significant impact on neighboring jurisdictions or on other functions and calls for some mechanism to identify and moderate these "spillover" effects. OMB is willing to consider other mechanisms that can achieve this statutory objective.

19. Q. What provision is there for citizen participation in the A-95 review process?

A. Directly, none. A-95 was set up, by law, as an intergovernmental cooperation mechanism, so review authority extends only to State and local government and agencies. However, OMB encourages clearinghouses to involve citizen organizations and private sector agencies in the review process as such involvement can bring different and highly significant perspectives to the review. Moreover, private sector organizations can often add additional levels of expertise to project evaluations. Of course, many clearinghouses do have citizen representation on their governing boards.

20. Q. How does OMB assure Federal agency compliance with A-95?

A. Because of the sheer number of Federal assistance applications and other Federal programs and activities covered by A-95, OMB has to operate on a complaint basis. Moreover, there are over 500 State and areawide clearinghouses. Thus, when a clearinghouse discovers that a Federal agency has not followed A-95 requirements, it may complain to that agency and/or to the Federal Regional Council. If it can get no satisfaction or reassurance that the noncompliance will not continue, generally the clearinghouse will send its complaint to OMB. OMB will inform the Federal agency of A-95 requirements and put it in touch with the clearinghouse to try to see how the situation can be rectified. OMB will ask to be informed as to what steps have been taken to correct the noncompliance.



NATIONAL COUNCIL ON INDIAN OPPORTUNITY
OFFICE OF THE VICE PRESIDENT
WASHINGTON 20506

January 14, 1974

MEMORANDUM FOR

Brad Patterson

SUBJECT: Indian Tribes and the A-95 Process

As you will recall, we talked about the change OMB effected in the relationship of tribes to the A-95 process: from exempting them totally to allowing them to submit proposals for Federal programs but holding the Federal agencies responsible for notifying the state clearing houses of any and all proposals so received.

I have enclosed the OMB circular on this subject.

In talking with Bill Brussat of OMB, he said they had been under considerable pressure from the Arizona Municipal League and other such groups to have the tribes go through the state clearing houses. He indicated that the enclosed language was a compromise which satisfied the states and other political subdivisions making up the clearing houses. Personally I have no arguments so long as the requirement is not a mechanism which would allow the states to hold up Indian proposals. Brussat said that quick and equitable communications with an affected tribe is intended in the event a state clearing house has a problem with the Indian proposal.

Robert Robertson
Executive Director

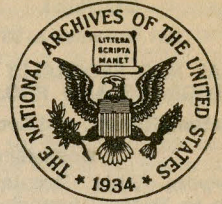
Attachment

federal register

WEDNESDAY, NOVEMBER 28, 1973
WASHINGTON, D.C.

Volume 38 ■ Number 228

PART II



OFFICE OF MANAGEMENT AND BUDGET

■

FEDERAL AND FEDERALLY ASSISTED PROGRAMS AND PROJECTS

Evaluation, review, and coordination

OFFICE OF MANAGEMENT AND BUDGET

[Rev. Circular A-95]

FEDERAL AND FEDERALLY ASSISTED PROGRAMS AND PROJECTS

Evaluation, Review, and Coordination

NOVEMBER 13, 1973.

1. *Purpose.* This Circular furnishes guidance to Federal agencies for added cooperation with State and local governments in the evaluation, review, and coordination of Federal assistance programs and projects. The Circular promulgates regulations (Attachment A) which provide, in part, for:

a. Encouraging the establishment of a project notification and review system to facilitate coordinated planning on an intergovernmental basis for certain Federal assistance programs in furtherance of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 and Title IV of the Intergovernmental Cooperation Act of 1968 (Attachment B).

b. Coordination of direct Federal development programs and projects with State, areawide, and local planning and programs pursuant to title IV of the Intergovernmental Cooperation Act of 1968.

c. Securing the comments and views of State and local agencies which are authorized to develop and enforce environmental standards on certain Federal or Federally assisted projects affecting the environment pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (Attachment C) and regulations of the Council on Environmental Quality.

d. Furthering the objectives of title VI of the Civil Rights Act of 1964.

This Circular supersedes Circular No. A-95 (Revised), dated February 9, 1971 as amended by Transmittal Memoranda No. 1, dated July 26, 1971, and No. 2, dated March 8, 1972. It will become effective January 1, 1974.

2. *Basis.* This Circular has been prepared pursuant to:

a. Section 401(a) of the Intergovernmental Cooperation Act of 1968 which provides, in part, that

The President shall * * * establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development * * *

and the President's Memorandum of November 8, 1968, to the Director of the Bureau of the Budget (33 FR 16487, November 13, 1968) which follows:

By virtue of the authority vested in me by section 301 of title 3 of the United States Code and section 401(a) of the Intergovernmental Cooperation Act of 1968 (Public Law 90-577), I hereby delegate to you the authority vested in the President to establish the rules and regulations provided for in that section governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they

shall most effectively serve these basis objectives.

In addition, I expect the Bureau of the Budget to generally coordinate the actions of the departments and agencies in exercising the new authorizations provided by the Intergovernmental Cooperation Act, with the objective of consistent and uniform action by the Federal Government.

b. Title IV, section 403, of the Intergovernmental Cooperation Act of 1968 which provides that:

The Bureau of the Budget or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this Title.

c. Section 204(c) of the Demonstration Cities and Metropolitan Development Act of 1966 which provides that:

The Bureau of the Budget, or such other agency as may be designated by the President, shall prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.

and

d. Reorganization Plan No. 2 of 1970 and Executive Order No. 11541 of July 1, 1970, which vest all functions of the Bureau of the Budget or the Director of the Bureau of the Budget in the Director of the Office of Management and Budget.

3. *Coverage.* The regulations promulgated by this Circular (Attachment A) will have applicability to:

a. Under Part I, all projects and activities (or significant changes thereto) for which Federal assistance is being sought under the programs listed in Attachment D or Appendix I of the Catalog of Federal Domestic Assistance which ever bears the later date. Limitations and provisions for exceptions are noted therein.

Projects and activities under other Federal programs in certain States, where State law (or administrative regulations developed pursuant thereto) so require, unless the head of the Federal program agency determines that such requirements would be inconsistent with the Federal law on which the program is based and the objectives of this Circular.

b. Under Part II, all direct Federal development activities, including the acquisition, use, and disposal of Federal real property.

c. Under Part III, all Federal programs as listed in Appendix II of the Catalog of Federal Domestic Assistance requiring, by statute or administrative regulation, a State plan as a condition of assistance and certain multi-source programs.

d. Under Part IV, all Federal programs providing assistance to State, local, and areawide projects and activities that are planned on a multijurisdictional basis.

4. *Inquiries.* Inquiries concerning this Circular may be addressed to the Office of Management and Budget, Washington, D.C. 20503, telephone (202) 395-3031.

ROY L. ASH,
Director.

ATTACHMENT A—REGULATIONS UNDER SECTION 204 OF THE DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966, TITLE IV OF THE INTERGOVERNMENTAL COOPERATION ACT OF 1968, AND SECTION 102(2)(C) OF THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969

PART I—PROJECT NOTIFICATION AND REVIEW SYSTEMS

1. *Purpose.* The purpose of this Part is to:

a. Further the policies and directives of title IV of the Intergovernmental Cooperation Act of 1968 by encouraging the establishment of a network of State and areawide planning and development clearinghouses which will aid in the coordination of Federal or federally assisted projects and programs with State, areawide, and local planning for orderly growth and development.

b. Implement the requirements of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 for metropolitan areas within that network.

c. Implement, in part, requirements of section 102(2)(C) of the National Environmental Policy Act of 1969, which require that State, areawide, and local agencies which are authorized to develop and enforce environmental standards be given an opportunity to comment on the environmental impact of Federal or federally assisted projects.

d. Provide public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to participate in the review process established under this Part.

e. Encourage, by means of early contact between applicants for Federal assistance and State, and local governments, and agencies, an expeditious process of intergovernmental coordination and review of proposed projects.

2. *Notification.* a. Any agency of State or local government or any organization or individual undertaking to apply for assistance to a project (or a renewal or major modification thereto) under a Federal program covered by this Part will be required to notify the State and areawide planning and development clearinghouse in the jurisdiction of which the project is to be located, of its intent to apply for assistance.

In the case of applications for an activity that is State wide or broader in nature (such as for various types of research) and does not have specific applicability to nor affects areawide or local planning and programs, the notification need be sent only to the State clearinghouse. Involvement of areawide clearinghouses in the review in such cases will be at the initiative of the State clearinghouse.

Notification will include a summary description of the project for which assistance will be sought. The summary description will contain the following information, as appropriate and available:

(1) Identity of the applicant agency, organization, or individual.

(2) The geographic location of the project to be assisted. A map should be provided, if appropriate.

(3) A brief description of the proposed project by type, purpose, general size or scale, estimated cost, beneficiaries, or other characteristics which will enable the clearinghouses to identify agencies of State or local government having plans, programs, or projects that might be affected by the proposed projects.

(4) A statement as to whether or not the applicant has been advised by the funding agency from which assistance is being sought that he will be required to submit environmental impact information in connection with the proposed project.

(5) The Federal program title and number and agency under which assistance will be sought as indicated in Attachment D or the latest Catalog of Federal Domestic Assistance. (The Catalog is issued annually in the spring and is updated periodically during the year.)

(6) The estimated date the applicant expects to formally file an application. Many clearinghouses have developed notification forms and instructions. Applicants are urged to contact their clearinghouses for such information in order to expedite clearinghouse review.

b. In order to assure maximum time for effective coordination and so as not to delay the timely submission of the completed application to the funding agency, notifications containing the preliminary information indicated above should be sent at the earliest feasible time.

c. Applications from federally recognized Indian tribes are not subject to the requirements of this part. However, Indian tribes may voluntarily participate in the Project Notification and Review System and are encouraged to do so. Federal agencies will notify the appropriate State and areawide clearinghouses of any applications from federally recognized Indian tribes upon their receipt.

3. *Clearinghouse functions.* Clearinghouse functions include:

a. Evaluating the significance of proposed Federal or federally assisted projects to State, areawide, or local plans and programs, as appropriate.

b. Receiving and disseminating project notifications to appropriate State agencies in the case of the State clearinghouse and to appropriate local governments and agencies and regional organizations in the case of areawide clearinghouses; and providing liaison, as may be necessary, between such agencies or bodies and the applicant.

c. Assuring, pursuant to section 102 (2)(c) of the National Environmental Policy Act of 1969, that appropriate State, areawide, or local agencies which are authorized to develop and enforce environmental standards are informed of and are given opportunity to review and comment on the environmental significance of proposed projects for which Federal assistance is sought.

d. Providing public agencies charged with enforcing or furthering the objectives of State and local civil rights laws with opportunity to review and com-

ment on the civil rights aspects of the project for which assistance is sought.

e. Providing, pursuant to Part II of these regulations, liaison between Federal agencies contemplating direct Federal development projects and the State, or areawide agencies, or local governments having plans or programs that might be affected by the proposed project.

4. *Consultation and review.* a. State and areawide clearinghouses may have a period of 30 days after receipt of a project notification in which to inform State agencies and local or regional governments or agencies (including agencies authorized to develop and enforce environmental standards and public agencies charged with enforcing or furthering the objectives of State and local civil rights laws) that may be affected by the proposed project and arrange, as may be necessary, to consult with the applicant thereon.

b. During this period and during the period in which the application is being completed, the clearinghouse may work with the applicant in the resolution of any problems raised by the proposed project.

c. Clearinghouses may have, if necessary, an additional 30 days to review the completed application and to transmit to the applicant any comments or recommendations the clearinghouse (or others) may have. Written comments submitted to the areawide clearinghouse by other jurisdictions, agencies, or parties will be included as attachments to the comments of areawide clearinghouses, when they are at variance with the clearinghouse comments; and others from whom comments were solicited should be listed.

d. In the case of a project for which Federal assistance is sought by a special purpose unit of government, clearinghouses will assure that any unit of general local government having jurisdiction over the area in which the project is to be located has opportunity to confer, consult, and comment upon the project and the application.

e. Applicants will include with the completed application as submitted to the Federal agency (or to the State agency in the case of projects for which the State, under certain programs, has final project approval):

(1) Any comments and recommendations made by or through clearinghouses, along with a statement that such comments have been considered prior to submission of the application; or

(2) A statement that the procedures outlined in this section have been followed and that no comments or recommendations have been received.

f. Where areawide clearinghouse jurisdictions are contiguous, coordinative arrangements should be established between the clearinghouses in such areas to assure that projects in one area which may have an impact on the development of a contiguous area are jointly studied. Any comments and recommendations made by or through a clearinghouse in one area on a project in a contiguous area will accompany the application for assistance to that project.

5. *Subject matter of comments and recommendations.* Comments and recommendations made by or through clearinghouses with respect to any project are for the purpose of assuring maximum consistency of such project with State, areawide, and local comprehensive plans. They are also intended to assist the Federal agency (or State agency, in the case of projects for which the State under certain Federal grants has final project approval) administering such a program in determining whether the project is in accord with applicable Federal law. Comments or recommendations, as may be appropriate, may include, but need not be limited to, information about:

a. The extent to which the project is consistent with or contributes to the fulfillment of comprehensive planning for the State, area, or locality.

b. The extent to which the proposed project:

(1) Duplicates, runs counter to, or needs to be coordinated with other projects or activities being carried out in or affecting the area; or

(2) Might be revised to increase its effectiveness or efficiency.

c. The extent to which the project contributes to the achievement of State, areawide, and local objectives and priorities relating to natural and human resources and economic and community development as specified in section 401 of the Intergovernmental Cooperation Act of 1968, including:

(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, mineral, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Concern for high standards of design.

d. As provided under section 102(2)(C) of the National Environmental Policy Act of 1969, the extent to which the project significantly affects the environment including consideration of:

(1) The environmental impact of the proposed project;

(2) Any adverse environmental effects which cannot be avoided should the proposed project be implemented;

(3) Alternatives to the proposed project;

(4) The relationship between local short term uses of man's environment and the maintenance and enhancement of long term productivity; and

(5) Any irreversible and irretrievable commitments of resources which would be involved in the proposed project or action, should it be implemented.

e. The extent to which the project contributes to more balanced patterns of settlement and delivery of services to all sectors of the area population, including minority groups.

f. In the case of a project for which assistance is being sought by a special purpose unit of government, whether the unit of general local government having jurisdiction over the area in which the project is to be located has applied, or plans to apply for assistance for the same or a similar type project. This information is necessary to enable the Federal (or State) agency to make the judgments required under section 402 of the Intergovernmental Cooperation Act of 1968.

6. *Federal agency procedures.* Federal agencies having programs covered under this Part will develop appropriate procedures for:

a. Informing potential applicants for assistance under such programs of the requirements of this Part (1) in program information materials, (2) in response to inquiries respecting application procedures, (3) in pre-application conferences, or (4) by other means which will assure earliest contact between applicant and clearinghouses.

b. Assuring that all applications for assistance under programs covered by this part have been submitted to appropriate clearinghouses for review prior to their submission to the funding agency.

c. Notifying clearinghouses within seven days of any action, (approvals, disapprovals, return for amendment, etc.) taken on applications that have been reviewed by such clearinghouses. Where a State or areawide clearinghouse has assigned an identification number to an application, the Federal agency will refer to such identification numbers in notifying clearinghouses of actions taken on the application.

d. Where a clearinghouse has recommended against approval of an application or approval only with specific and major substantive changes, and the funding agency having the power to approve or disapprove the application substantially as submitted, the funding agency will provide the clearinghouse, in writing, with an explanation thereof.

e. Assuring, in the case of an application submitted by a special purpose unit of government, where accompanying comments indicate that the unit of general local government having jurisdiction over the area in which the project is to be located has submitted or plans to submit an application for assistance for the same or a similar type project, that appropriate considerations and preferences as specified in section 402 of the Intergovernmental Cooperation Act of 1968, are accorded the unit of general local government. Where such preference cannot be so accorded, the agency shall supply, in writing, to the unit of general local government and the Office of Management and Budget its reasons therefor.

7. *OMB Circular No. A-102.* OMB Circular No. A-102 (Attachment M) provides standard application forms for all Federal grant programs to State and local governments except those Federal formula grant programs which do not require grantees to apply for Federal funds on a project basis. The Circular promulgates a Preapplication Form for all construction, land acquisition, and land development projects or programs for which the need for Federal funding exceeds \$100,000.

a. Any applicant using the A-102 Pre-application Form for a project under a program covered by this Part will transmit copies of the preapplication to the appropriate State and areawide clearinghouses at the time it is submitted to the Federal agency from which assistance is being sought.

b. Circular No. A-102 requires the Federal agency to respond to a preapplication within 45 days of its receipt. Where a clearinghouse wishes to make any comments on the project, it may submit such comments directly to the Federal agency and the applicant. The Federal agency will consider any such comments received prior to completion of its own review of the preapplication and notify the clearinghouse of its action on the preapplication. Clearinghouses should also notify the Federal agency if they have no comment.

c. Any comment by a clearinghouse endorsing or withholding endorsement of the project during the preapplication stage will not be considered a substitute for review under this Part unless the clearinghouse so indicates. All consultations and conferences between applicants and clearinghouses subsequent to submission of the preapplication or review of completed final applications will be carried out as described under paragraph 4 of this Part.

8. *Housing programs.* Because of the unique nature of housing programs of the Department of Housing and Urban Development, the Veterans Administration, and the Farmers Home Administration of the Department of Agriculture a variation of the review procedure is necessary. For such programs, the following procedure for review will be followed:

a. The appropriate HUD, VA, or USDA/FHA office will transmit to the appropriate State and areawide clearinghouses a copy of the initial application for project approval.

b. Clearinghouses will have 30 days from receipt to review the applications and to forward to the HUD, VA, or USDA/FHA office any comments which they may have, including observations concerning the consistency of the proposed project with State and areawide development plans, the extent to which the proposed project will provide housing opportunities for all segments of the community, and identification of major environmental concerns. Processing of applications in the HUD, VA, or USDA/FHA office will proceed concurrently with the clearinghouse review.

c. This procedure will include only applications involving new construction

and will apply to applications for loans, loan guaranties, mortgage insurance, or other housing assistance:

(1) In cities over 50,000 population and contiguous urbanized areas having a population density of over 100 persons per square mile, to:

(a) Subdivisions having 25 or more lots.

(b) Multifamily projects having 50 or more dwelling units.

(c) Mobile home courts with 50 or more spaces.

(d) College housing provided under the debt service or direct loan programs for 200 or more students.

(2) In all other areas, to:

(a) Subdivisions having 10 or more lots.

(b) Multifamily projects having 25 or more dwelling units.

(c) Mobile home courts with 25 or more spaces.

(d) College housing provided under the debt service or direct loan programs for 100 or more students.

9. *Exceptions.* a. Heads of Federal departments and agencies may, with the concurrence of the Office of Management and Budget, exclude certain categories of projects or activities under listed programs from the requirements of Attachment A, Part I. OMB concurrence will be based on the following criteria:

(1) Lack of geographic identifiability with respect to location or impact (e.g., certain types of technical studies);

(2) Small scale or size;

(3) Essentially local impact (within the applicant jurisdiction); and

(4) Other characteristics that make review impractical. OMB will notify clearinghouses of such exclusions.

b. In the case of any exception, applicants are, nevertheless, required to send copies of the application to the clearinghouses at the time it is submitted to the Federal agency. The Federal agency will consider any clearinghouse comments up until the time the application has been processed. Comments should be sent directly to the Federal agency.

c. Exceptions will be reviewed periodically by the Office of Management and Budget.

d. Individual clearinghouses may except certain types of projects from review for reasons indicated above or for other reasons appropriate to the State or area.

10. *Reports and directories.* a. The Director of the Office of Management and Budget may require reports, from time to time, on the implementation of this Part.

b. The Office of Management and Budget will maintain and distribute to appropriate Federal agencies a directory of State and areawide clearinghouses.

c. The Office of Management and Budget will notify clearinghouses and Federal agencies of any excepted categories of projects under covered programs.

PART II—DIRECT FEDERAL DEVELOPMENT

1. *Purpose.* The purpose of this Part is to:

a. Provide State and local government with information on projected Federal

development so as to facilitate coordination with State, areawide, and local plans and programs.

b. Provide Federal agencies with information on the relationship of proposed direct Federal development projects and activities to State, areawide, and local plans and programs; and to assure maximum feasible consistency of Federal developments with State, areawide, and local plans and programs.

c. Provide Federal agencies with information on the possible impact on the environment of proposed Federal development.

2. *Coordination of direct Federal development projects with State, areawide, and local development.* a. Federal agencies having responsibility for the planning and construction of Federal buildings and installations or other Federal public works or development or for the acquisition, use, and disposal of Federal land and real property will establish procedures for:

(1) Consulting with Governors, State and areawide clearinghouses, and local elected officials at the earliest practicable stage in project or development planning on the relationship of any plan or project to the development plans and programs of the State, area, or locality in which the project is to be located.

(2) Assuring that any such Federal plan or project is consistent or compatible with State, areawide, and local development plans and programs identified in the course of such consultations. Exceptions will be made only where there is clear justification.

(3) Providing State, areawide, and local agencies which are authorized to develop and enforce environmental standards with adequate opportunity to review such Federal plans and projects pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969. Any comments of such agencies will accompany the environmental impact statement submitted by the Federal agency.

(4) Through the appropriate clearinghouses providing State and areawide agencies which are authorized to perform comprehensive health planning (under Sections 314a and 314b of the Public Health Service Act) with adequate opportunity to review Federal projects for construction and/or equipment involving capital expenditures exceeding \$200,000 for modernization, conversion, and expansion of Federal inpatient care facilities, which alter the bed capacity or modify the primary function of the facility, as well as plans for provision of major new medical care services. (Excluded are projects to renovate or install mechanical systems, air conditioning systems, or other similar internal system modifications.) The comments of such agencies will accompany the plan and budget requests submitted by the Federal agency to the Office of Management and Budget or a certification that the agencies had been provided a reasonable time to comment and had failed to do so.

3. *Use of clearinghouses.* The State and areawide planning and development

clearinghouses established pursuant to Part I will be utilized to the greatest extent practicable to effectuate the requirements of this Part. Agencies are urged to establish early contact with clearinghouses to work out arrangements for carrying out the consultation and review required under this Part, including identification of types of projects considered appropriate for consultation and review.

PART III.—STATE PLANS AND MULTISOURCE PROGRAMS

1. *Purpose.* The purpose of this Part is to provide Federal agencies with information about the relationship to State or areawide comprehensive planning of State plans or multisource programs which are required or form the basis for funding under various Federal programs.

2. *State plans.* To the extent not presently required by statute or administrative regulation, Federal agencies administering programs requiring by statute or regulation a State plan as a condition of assistance under such programs will require that the Governor, or his delegated agency, be given the opportunity to comment on the relationship of such State plan to comprehensive and other State plans and programs and to those of affected areawide or local jurisdictions. To the extent practical, the Governor is encouraged to involve areawide clearinghouses in the review of State plans.

a. The Governor will be afforded a period of 45 days in which to make such comments, and any such comments will be transmitted with the plan.

b. A "State plan" under this Part is defined to include any required supporting planning reports or documentation that indicate the programs, projects, and activities for which Federal funds will be utilized. Such reports or documentation will also be submitted for review at the request of the Governor or the agency he has designated to perform review under this Part.

c. Programs requiring State plans are listed in Appendix II of the Catalog of Federal Domestic Assistance.

3. *Multisource programs.* A "multisource program" under this Part is a program or programs of related activities for which assistance is sought, on a combined or coordinated basis, involving two or more Federal programs or funding authorities.

a. Federal agencies administering or participating in the administration of multisource programs will require that appropriate State and areawide clearinghouses be given the opportunity to comment on the relationship of any proposed multisource program to State or areawide comprehensive plans and programs. Clearinghouses will be afforded a period of 45 days in which to make such comments, and any comments will be transmitted with the application for assistance under such multisource program.

b. Multisource programs include the following programs, plus such other pro-

grams as the Office of Management and Budget shall specify from time to time:

(1) Integrated Grant Administration (IGA).

(2) Unified Work Program (DOT 1130.2).

(3) Environmental Protection—Consolidated Program Grants (EPA).

(4) Areawide Manpower Plans (DOL).

PART IV.—COORDINATION OF PLANNING IN MULTIJURISDICTIONAL AREAS

1. *Policies and objectives.* The purposes of this Part are:

a. To encourage and facilitate State and local initiative and responsibility in developing organizational and procedural arrangements for coordinating comprehensive and functional planning activities.

b. To eliminate overlap, duplication, and competition in State and local planning activities assisted or required under Federal programs and to encourage the most effective use of State and local resources available for development planning.

c. To minimize inconsistency among Federal administrative and approval requirements placed on State and areawide development planning activities.

d. To encourage the States to exercise leadership in delineating and establishing a system of planning and development districts or regions in each State, which can provide a consistent geographic base for the coordination of Federal, State, and local development programs.

e. To encourage Federal agencies administering programs assisting or requiring areawide planning to utilize agencies that have been designated to perform areawide comprehensive planning in planning and development districts or regions established pursuant to subparagraph d above and that have been designated areawide clearinghouses pursuant to Part I of Attachment A of this Circular to carry out or coordinate planning under such programs. In the case of interstate metropolitan areas, agencies designated as metropolitan areawide clearinghouses should be utilized to the extent possible to carry out or coordinate Federally assisted or required areawide planning.

2. *Common or consistent planning and development districts or regions.* a. Prior to the designation or redesignation (or approval thereof) of any planning and development district or region under any Federal program, Federal agency procedures will provide a period of 30 days for the Governor(s) of the State(s) in which the district or region will be located to review the boundaries thereof and comment upon its relationship to planning and development districts or regions established by the State. Where the State has established such planning and development districts, the boundaries of areas designated under Federal programs will conform to them unless there is clear justification for not doing so.

b. Where the State has not established planning and development districts or

regions which provide a basis for evaluation of the boundaries of the area proposed for designation, major units of general local government and the appropriate Federal Regional Council in such areas will also be consulted prior to designation of the area to assure consistency with districts established under inter-local agreement and under related Federal programs.

c. The Office of Management and Budget will be notified through the appropriate Federal Regional Council by Federal agencies of any proposed designation and will be informed of such designation when it is made.

3. *Common and consistent planning bases and coordination of related activities in multijurisdictional areas.* Each agency will develop procedures and requirements for applications for areawide planning and development assistance under appropriate programs to assure the fullest consistency and coordination with related planning and development being carried on by the areawide clearinghouse designated under Part I of this Circular in the multijurisdictional area.

Such procedures shall include provision for submission to the funding agency by any applicant for areawide planning assistance, if the applicant is other than an areawide comprehensive planning agency referred to in paragraph 1e of this Part, of a memorandum of agreement between the applicant and such areawide comprehensive planning agency covering the means by which their planning activities will be coordinated. The agreement will cover but need not be limited to the following matters:

a. Identification of relationships between the planning proposed by the applicant and that of the areawide agency and of similar or related activities that will require coordination;

b. The organizational and procedural arrangements for coordinating such activities, such as: Overlapping board membership, procedures for joint reviews of projected activities and policies, information exchange, etc.;

c. Cooperative arrangements for sharing, planning resources (funds, personnel, facilities, and services);

d. Agreed upon base data, statistics, and projections (social, economic, demographic) on the basis of which planning in the area will proceed.

Where an applicant has been unable to effectuate such an agreement, he will submit a statement indicating the efforts he has made to secure agreement and the issues that have prevented it. In such case, the funding agency, in consultation with the Federal Regional Council and the State clearinghouse designated under Part I, will undertake, within a 30 day period after receipt of the application, resolution of the issues before approving the application, if it is otherwise in good order.

4. *Joint funding.* Where it will enhance the quality, comprehensive scope, and coordination of planning in multijurisdictional areas, Federal agencies will, to the extent practicable, provide for joint funding of planning activities being carried on therein.

5. *Coordination of agency procedures and requirements.* With respect to the steps called for in paragraphs 2 and 3 of this Part, departments and agencies will develop for relevant programs appropriate draft procedures and requirements. Copies of such drafts will be furnished to the Director of the Office of Management and Budget and to the heads of departments and agencies administering related programs. The Office, in consultation with the agencies, will review the draft procedures to assure the maximum obtainable consistency among them.

PART V—DEFINITIONS

Terms used in this circular will have the following meanings:

1. *Federal agency.* Any department, agency, or instrumentality in the executive branch of the Government and any wholly owned Government corporation.

2. *State.* Any of the several States of the United States, the District of Columbia, Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, but does not include the governments of the political subdivisions of the State.

3. *Unit of general local government.* Any city, county, town, parish, village, or other general purpose political subdivisions of a State.

4. *Special purpose unit of local government.* Any special, district, public purpose corporation, or other strictly limited purpose political subdivision of a State, but shall not include a school district.

5. *Federal assistance, Federal financial assistance, Federal assistance programs, or federally assisted program.* Programs that provide assistance through grant or contractual arrangements. They include technical assistance programs, or programs providing assistance in the form of loans, loan guarantees, or insurance. The term does not include any annual payment by the United States to the District of Columbia authorized by article VI of the District of Columbia Revenue Act of 1947 (D.C. Code sec. 47-2501a and 47-2501b).

6. *Funding agency.* The Federal agency or, in the case of certain formula grant programs, the State agency which is responsible for final approval of applications for assistance.

7. *Comprehensive planning.* To the extent directly related to area needs or needs of a unit of general local government, including the following:

a. Preparation, as a guide for governmental policies and action, of general plans with respect to:

(1) Pattern and intensity of land use.
(2) Provision of public facilities (including transportation facilities) and other government services.
(3) Effect development and utilization of human and natural resources.

b. Preparation of long range physical and fiscal plans for such action.

c. Programming of capital improvements and other major expenditures, based on a determination of related urgency, together with definitive financing plans for such expenditures in the earlier years of the program.

d. Coordination of all related plans and activities of the State and local governments and agencies concerned.

e. Preparation of regulatory and administrative measures in support of the foregoing.

8. *Metropolitan area.* A standard metropolitan statistical area as established by the Office of Management and Budget, subject, however, to such modifications and extensions as the Office of Management and Budget may determine to be appropriate for the purposes of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, and these Regulations.

9. *Areawide.* Comprising, in metropolitan areas, the whole of contiguous urban and urbanizing areas; and in non-metropolitan areas, contiguous counties or other multijurisdictional areas having common or related social, economic, or physical characteristics indicating a community of developmental interest; or, in either, the area included in a sub-state district designated pursuant to paragraph 1d, Part IV, Attachment A of this Circular.

10. *Planning and development clearinghouse or clearinghouse* includes:

a. *State clearinghouse.* An agency of the State Government designated by the Governor or by State law to carry out the requirements of Part I of Attachment A of this Circular.

b. *Areawide clearinghouse.* (1) In non-metropolitan areas a comprehensive planning agency designated by the Governor (or Governors in the case of regions extending into more than one State) or by State law to carry out requirements of this Circular; or

(2) In metropolitan areas an areawide agency that has been recognized by the Office of Management and Budget as an appropriate agency to perform review functions under section 204 of the Demonstration Cities and Metropolitan Development Act of 1966, Title IV of the Intergovernmental Cooperation Act of 1968, and this Circular.

11. *Multijurisdictional area.* Any geographical area comprising, encompassing, or extending into more than one unit of general local government.

12. *Planning and development district or region.* A multijurisdictional area that has been formally designated or recognized as an appropriate area for planning under State law or Federal program requirements.

13. *Direct Federal development.* Planning and construction of public works, physical facilities and installations or land and real property development (including the acquisition, use, and disposal of real property) undertaken by or for the use of the Federal Government or any of its agencies.

ATTACHMENT B

SECTION 204 OF THE DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966 AS AMENDED (80 STAT. 1263, 82 STAT. 208)

SEC. 204. (a) All applications made after June 30, 1967, for Federal loans or grants to assist in carrying out open-space land projects or for planning or construction of hospitals, airports, libraries, water supply and distribution facilities, sewage facilities and waste treatment works, highways, transportation facilities, law enforcement facilities, and water development and land conservation projects within any metropolitan area shall be submitted for review—

(1) To any areawide agency which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of a unit of areawide government or of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning, and

(2) If made by a special purpose unit of local government, to the unit or units of general local government with authority to operate in the area within which the project is to be located.

(b) (1) Except as provided in paragraph (2) of this subsection, each application shall be accompanied (A) by the comments and recommendations with respect to the project involved by the areawide agency and governing bodies of the units of general local government to which the application has been submitted for review, and (B) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and the extent to which such project contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this paragraph shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the Federal Government for which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statements referred to in paragraph b(1) of this subsection, if the applicant certifies that a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c), or such application, has lain before an appropriate areawide agency or instrumentality or unit of general local government for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality.

(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this title, involves a major change in the project covered by the application prior to such amendment.

(c) The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.

TITLE IV OF THE INTERGOVERNMENTAL CO-OPERATION ACT OF 1968 (82 STAT. 1103)

TITLE IV—COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION OF DEVELOPMENT ASSISTANCE PROGRAMS

DECLARATION OF DEVELOPMENT ASSISTANCE POLICY

SEC. 401. (a) The economic and social development of the Nation and the achievement of satisfactory levels of living depend upon the sound and orderly development of all areas, both urban and rural. Moreover, in a time of rapid urbanization, the sound and orderly development of urban communities depends to a large degree upon the social and economic health and the sound development of small communities and rural areas. The President shall, therefore, establish rules and regulations governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives. Such rules and regulations shall provide for full consideration of the concurrent achievement of the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between such objectives when they conflict:

(1) Appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes;

(2) Wise development and conservation of natural resources, including land, water, minerals, wildlife, and others;

(3) Balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other modes for the movement of people and goods;

(4) Adequate outdoor recreation and open space;

(5) Protection of areas of unique natural beauty, historical and scientific interest;

(6) Properly planned community facilities, including utilities for the supply of power, water, and communications, for the safe disposal of wastes, and for other purposes; and

(7) Concern for high standards of design. (b) All viewpoints—national, regional, State, and local—shall, to the extent possible, be fully considered and taken into account in planning Federal or federally assisted development programs and projects. State and local government objectives, together with the objectives of regional organizations shall be considered and evaluated within a framework of national public objectives, as expressed in Federal law, and available projections of future national conditions and needs of regions, State, and localities shall be considered in plan formulation, evaluation, and review.

(c) To the maximum extent possible, consistent with national objectives, all Federal aid for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including but not limited to housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

(d) Each Federal department and agency administering a development assistance program shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

(e) Insofar as possible, systematic planning required by individual Federal programs (such as highway construction, urban re-

newal, and open space) shall be coordinated with and, to the extent authorized by law, made part of comprehensive local and area-wide development planning.

FAVORING UNITS OF GENERAL LOCAL GOVERNMENT

SEC. 402. Where Federal law provides that both special-purpose units of local government and units of general local government are eligible to receive loans or grants-in-aid, heads of Federal departments and agencies shall, in the absence of substantial reasons to the contrary, make such loans or grants-in-aid to units of general local government rather than to special-purpose units of local government.

RULES AND REGULATIONS

SEC. 403. The Bureau of the Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this title.

ATTACHMENT C—SECTION 102(2)(C) OF THE NATIONAL ENVIRONMENTAL POLICY ACT OF 1969 (83 STAT. 853)

SEC. 102. The Congress authorizes and directs that, to the fullest extent possible; (1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this Act, and (2) all agencies of the Federal Government shall—

(C) include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

(i) The environmental impact of the proposed action,

(ii) Any adverse environmental effects which cannot be avoided should the proposal be implemented,

(iii) Alternatives to the proposed action,

(iv) The relationship between local short-term use of man's environment and the maintenance and enhancement of long-term productivity, and

(v) Any irreversible or irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and enforce environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of Title 5, United States Code, and shall accompany the proposal through the existing agency review processes; * * *.

ATTACHMENT D—COVERAGE OF PROGRAMS UNDER ATTACHMENT A, PART I

1. Programs listed below are referenced several ways, due to transitional phases in program development, special revenue sharing, etc. Generally, citations are to programs as they are listed in the June, 1973 Catalog of Federal Domestic Assistance. Asterisks indicate references to the 1972 Catalog. For certain new legislation, Catalog citations have not yet been developed. In such cases, references are

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to Public Law number and section. When no funding is available for a program, it is not generally listed in the Catalog or this Attachment. The Catalog is issued annually and revised periodically during the year. Every effort will be made to keep Appendix I and Attachment D current. Reference should always be made to the one bearing the latest issued date.

2. Heads of Federal departments and agencies may, with the concurrence of the Office of Management and Budget, exclude certain categories of projects or activities under listed programs from the requirements of Attachment A, Part I. See Part I, paragraph 9.

3. Covered programs.

DEPARTMENT OF AGRICULTURE

- 10.409 Irrigation, Drainage, and Other Soil and Water Conservation Loans.
- 10.411 Rural Housing Site Loans.
- 10.414 Resource Conservation and Development Loans.
- 10.415 Rural Rental Housing Loans.
- 10.418 Water and Waste Disposal Systems for Rural Communities.
- 10.419 Watershed Protection and Flood Prevention Loans.
- 10.901 Resources Conservation and Development.
- 10.904 Watershed Protection and Flood Prevention (Exception: Small projects costing under \$7500 for erosion and sediment control and land stabilization and for rehabilitation and consolidation of existing irrigation systems).

DEPARTMENT OF COMMERCE/EDA

- 11.300* Economic Development—Grants and Loans for Public Works and Development Facilities.
- 11.302* Economic Development—Planning Assistance.
- 11.303* Economic Development—Technical Assistance.
- 11.304 Economic Development—Public Works Impact Projects.

DEPARTMENT OF DEFENSE

- 12.101 Beach Erosion Control Projects.
- 12.106 Flood Control Projects.
- 12.107 Navigation Projects.
- 12.108 Snagging and Clearing for Flood Control.

DEPARTMENTAL OF HEALTH, EDUCATION, AND WELFARE

- 13.206 Comprehensive Health Planning—Areawide Grants.
- 13.210 Comprehensive Public Health Services—Formula Grants.
- 13.220 Health Facilities Construction—Grants.
- 13.226* Health Services Research and Development Grants.
- 13.235 Mental Health—Community Assistance Grants for Narcotic Addiction and Drug Abuse.
- 13.240 Mental Health—Community Mental Health Centers.
- 13.246 Migrant Health Grants.
- 13.249* Regional Medical Programs.
- 13.251 Mental Health—Community Assistance Grants for Comprehensive Alcoholism Services.
- 13.252 Mental Health—Direct Grants for Projects (Alcoholism).
- 13.253 Health Facilities Construction—Loans and Loan Guarantees.
- 13.254 Mental Health—Direct Grants for Special Projects (Narcotic Addiction and Drug Abuse).

- 13.256 Health Maintenance Organization Service (HMOS).
- 13.267 Urban Rat Control.
- 13.340* Health Professions. Teaching Facilities—Construction Grants.
- 13.350 Medical Library Assistance—Regional Medical Libraries.
- 13.369 Nursing School Construction.
- 13.378* Health Professional. Teaching Facilities—Loan Guarantees and Interest Subsidies.
- 13.392 Cancer—Construction.
- 13.401 Adult Education—Special Projects.
- 13.408* Construction of Public Libraries.
- 13.477 School Assistance in Federally Affected Areas—Construction.
- 13.493 Vocational Education—Basic Grants to States.
- 13.494 Vocational Education—Consumer and Homemaking.
- 13.495 Vocational Education—Cooperative Education.
- 13.499 Vocational Education—Special Needs.
- 13.501 Vocational Education—Work Study.
- 13.502 Vocational Education—Innovation.
- 13.516 Preschool, Elementary and Secondary Education—Special Programs and Projects.
- 13.519 Supplementary Education Centers and Services, Guidance, Counseling, and Testing (PACE).
- 13.600 Child Development—Head Start.
- 13.746 Rehabilitation Services and Facilities—Basic Support.
- 13.753 Development Disabilities—Basic Support.
- 13.756 Aging—Special Support Programs.
- 13.763 Rehabilitation Services and Facilities—Special Projects.
- 13.764 Youth Development and Delinquency Prevention.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- 14.103 Interest Reduction Payments—Rental and Cooperative Housing and Lower Income Families.
- 14.105 Interest Subsidy—Homes for Lower Income Families.
- 14.112 Mortgage Insurance—Construction or Rehabilitation of Condominium Projects.
- 14.115 Mortgage Insurance—Development of Sales-Type Cooperative Projects.
- 14.116 Mortgage Insurance—Group Practice Facilities.
- 14.117 Mortgage Insurance—Homes.
- 14.118 Mortgage Insurance—Homes for Certified Veterans.
- 14.119 Mortgage Insurance—Homes for Disaster Victims.
- 14.120 Mortgage Insurance—Homes for Low and Moderate Income Families.
- 14.121 Mortgage Insurance—Homes in Outlying Areas.
- 14.122 Mortgage Insurance—Homes in Urban Renewal Areas.
- 14.124 Mortgage Insurance—Investor Sponsored Cooperative Housing.
- 14.125 Mortgage Insurance—Land Development and New Communities.
- 14.126 Mortgage Insurance—Management-Type Cooperative Projects.
- 14.127 Mortgage Insurance—Mobile Home Courts.
- 14.128 Mortgage Insurance—Hospitals.
- 14.129 Mortgage Insurance—Nursing Homes and Intermediate Care Facilities.
- 14.134 Mortgage Insurance—Rental Housing.
- 14.135 Mortgage Insurance—Rental Housing for Moderate Income Families.
- 14.137 Mortgage Insurance—Rental Housing for Low and Moderate Income Families, Market Interest Rate.
- 14.138 Mortgage Insurance—Rental Housing for the Elderly.

- 14.139 Mortgage Insurance—Rental Housing in Urban Renewal Areas.
- 14.141 Nonprofit Housing Sponsor Loans—Planning Projects for Low and Moderate Income Housing.
- 14.146 Public Housing—Acquisition (with or without rehabilitation) and Construction (new construction only).
- 14.149 Rental Supplements—Rental Housing for Lower Income Families.
- 14.203 Comprehensive Planning Assistance.
- 14.207 New Communities—Loan Guarantees.
- 14.214 Urban Systems Engineering Demonstration Grants.
- 14.307 Urban Renewal Projects.

DEPARTMENT OF THE INTERIOR

- 15.400 Outdoor Recreation—Acquisition and Development.
- 15.401 Outdoor Recreation State Planning—Financial Assistance.
- 15.501 Irrigation Distribution System Loans.
- 15.503 Small Reclamation Projects.
- 15.904 Historic Preservation.

DEPARTMENT OF JUSTICE

- 16.500 Law Enforcement Assistance—Comprehensive Planning Grants.
- 16.501 Law Enforcement Assistance—Discretionary Grants.
- 16.502 Law Enforcement Assistance—Improving and Strengthening Law Enforcement.

DEPARTMENT OF LABOR

- 17.211 Job Corps.
- 17.212 Job Opportunities in the Business Sector (Excluding National Contracts).
- 17.226 Work Incentive Program—Training and Allowances.
- 17.230 Migrant Workers.
- 17.232 Comprehensive Manpower Programs.

DEPARTMENT OF TRANSPORTATION

- 20.102 Airport Development Aid Program.
- 20.103 Airport Planning Grant Program.
- 20.201 Forest Highways.
- 20.204 Highway Beautification—Landscaping and Scenic Enhancement.
- 20.205 Highway Research, Planning, and Construction.
- 20.209 Public Lands Highways.
- 20.500 Urban Mass Transportation Capital Improvement Grants (Planning and Construction only).
- 20.501 Urban Mass Transportation Capital Improvement Loans (Planning and construction only).
- 20.505 Urban Mass Transportation Technical Studies Grants (planning and construction only).

APPALACHIAN REGIONAL COMMISSION

- 23.003 Appalachian Development Highway System.
- 23.004 Appalachian Health Demonstration.
- 23.005 Appalachian Housing Fund.
- 23.008 Appalachian Local Access Roads.
- 23.010 Appalachian Mine Area Restoration.
- 23.011 Appalachian State Research, Technical Assistance, and Demonstration Projects.
- 23.012 Appalachian Vocational Education Facilities and Operations.
- 23.013 Appalachian Child Development.
- 23.016 Appalachian Vocational Education and Technical Education Demonstration Grants.

COASTAL PLAINS REGIONAL COMMISSION

- 28.001 Coastal Plain Regional Economic Development.

FOUR CORNERS REGIONAL COMMISSION

- 38.001 Four Corners Regional Economic Development.

NATIONAL SCIENCE FOUNDATION

47.036 Intergovernmental Science and Research Utilization.

NEW ENGLAND REGIONAL COMMISSION

48.001 New England Regional Economic Development.

OFFICE OF ECONOMIC OPPORTUNITY*

49.002 Community Action (excluding administration, research, training and technical assistance, and evaluation).

49.003 Comprehensive Health Services (To HEW).

49.004 Drug Rehabilitation (To HEW).

49.006 Family Planning (To HEW).

49.009 Migrant and Seasonal Farmworkers Assistance (To DOL).

49.011 Community Economic Development (To OMBE/DOC).

OZARKS REGIONAL COMMISSION

52.001 Ozarks Regional Economic Development.

SMALL BUSINESS ADMINISTRATION

59.013 State and Local Development Company Loans (Construction only).

UPPER GREAT LAKES REGIONAL COMMISSION

63.001 Upper Great Lakes Regional Economic Development.

VETERANS ADMINISTRATION

64.004 Exchange of Medical Information (EMI).

64.005 Grants to States for Construction of State Nursing Home Care Facilities.

64.017 Grants to States for Remodeling of State Home Hospital/Domiciliary Facilities.

64.114 Veterans Housing—Guaranteed and Insured Loans (GI Home Loans).

WATER RESOURCES COUNCIL

65.001 Water Resources Planning.

ENVIRONMENTAL PROTECTION AGENCY

66.001 Air Pollution Control Program Grants.

66.005 Air Pollution Survey and Demonstration Grants.

66.015 Construction Grants for Wastewater Treatment Works.

66.017 Water Pollution Control-State and Interstate Program Grants.

66.504 Solid Waste Research Grants.

66.505 Water Pollution Control Demonstrations.

66.000 Environmental Protection-Consolidated Program Grants.

ACTION

72.001 Foster Grandparents.

Other. The following covered programs have not yet been assigned Catalog numbers and descriptions.

P.L. 92-583. Coastal Zone Management Act of 1972. Grants for management, program development, and administration (Sections 305 and 306).

P.L. 92-500. Federal Water Pollution Control Act Amendments of 1972. Comprehensive Programs for Water Pollution Control (Sec. 102); Grants for areawide waste treatment planning, management, and construction (Title II); Water Quality Implementation Plans (Sec. 303).

P.L. 92-424. Economic Opportunity Amendments of 1972. Assistance under programs for New Special Emphasis (Sec. 11), Design and Planning Assistance (Sec. 226), Youth Recreation and Sports (Sec. 227), Consumer Action and Cooperation (Sec. 228), and for Community Economic Development (Title II).

P.L. 92-419. Rural Development Act of 1972. Assistance for Essential Rural Community Facilities (Sec. 104); Rural Industrialization Assistance (Sec. 118); Watershed Protection and Flood Prevention (Sec. 201 (e), (f), (g)); water storage facilities (Sec. 301).

P.L. 92-318. Education Amendments of 1972. Grants for Programs and Projects Relating to National and Regional Problems (Sec. 102); for Construction of Academic Facilities (Sec. 161); and for Metropolitan Area Projects (Sec. 709).

P.L. 92-541. Veterans' Administration Medical School Assistance and Health Manpower Training Act of 1972.

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