

FEB 20 1963

Honorable William L. Dawson
Chairman
Committee on Government Operations
2157 Rayburn House Office Building
Washington, D. C.

Dear Mr. Chairman:

This is in reply to your letter of February 17, requesting our comments on H. J. Res. 434, "to authorize a study and investigation of information service systems for States and localities designed to enable such States and localities to participate more effectively in federally assisted programs and to provide Congress and the President with a better measure of State and local needs and performance under these programs."

In the course of its studies of the fiscal and structural interrelationships among National, State, and local governments, the Advisory Commission has become acutely aware of the need for improved information flow among the three levels of government. In its comprehensive study, entitled Fiscal Balance in the American Federal System, the Commission made several recommendations for improving and expanding data that are now available and for developing new data systems.

The great increase in the number of Federal grant-in-aid programs in recent years makes it abundantly clear that Congress, the Executive Branch, and State and local governments need ready access to information concerning those programs. To this end, the Commission recommended that:

....the President establish within an appropriate agency of the Executive Branch a computerized system for storage and retrieval of information essential for the administration of grants-in-aid, formulation of Federal-State-local fiscal policies and other policy and management purposes. The

Commission further recommends that the Congress establish a similar system to provide information for review of grant-in-aid programs and for other legislative purposes. The Commission recommends that tapes and other data resulting from these systems be made available to State and local governments.

The kind of information system contemplated by the above recommendation is closely akin to that proposed in H. J. Res. 434. Clearly the establishment of such a system will require a great deal of prior study and planning, such as is called for in the joint resolution.

It should be noted that S. 844 and H. R. 6278, the proposed "Legislative Reorganization Act of 1969," provide in Section 202 that the Comptroller General, the Secretary of the Treasury, and the Director of the Bureau of the Budget "shall develop, establish, and maintain, for use by all Federal agencies, a standardized information and data processing system for budgetary and fiscal data." Like H. J. Res. 434, this section, if enacted, would accomplish the objectives of equipping both Congress and the Executive Office of the President with a modern information system essential for improved policy and administrative control over the grant-in-aid system.

There is a considerable and growing interest in the improvement of information systems at all governmental levels. State and local governments, like the Federal Government, have been rapidly automating their data systems. Much of this activity has been uncoordinated with the result that a substantial amount of information has been developed which cannot be shared readily. There is widespread concern about this development, and a number of important steps have been taken to deal with it:

1. Largely at the urging of the Governors, a National Conference on Comparative Statistics was held in 1966. That Conference, sponsored by organizations of State and local governments, the U. S. Bureau of the Budget, and the Advisory Commission on Intergovernmental Relations, laid the groundwork for a continuing inter-governmental concern with the data problem. One of the developments growing out of that Conference was the establishment in a number of States of "State Statistical

Coordinators." A second such conference, held on April 4 and 5, 1968, attracted a large group of Federal, State, and local government people to discuss progress and to chart a course of action.

2. Two years ago, there was established an Intergovernmental Task Force on Information Systems. Its members were drawn substantially from among the same Federal, State and local groups that have been directing the National Conference on Comparative Statistics. The Task Force released its report on April 5, 1968, at the Second National Conference on Comparative Statistics (copy attached). The report stresses the need for concerted effort on the part of all three levels of government "to improve the flow of information within and among Federal, State, and local governments." It stresses the need for prior consultation by the Federal Government with State and local governments in the development of information systems. It emphasizes the need for improving information about Federal aid programs and for a "Federal Information Center on Assistance Programs." It urges the development of a standard "package" of socio-economic data to be used in connection with Federal-aid programs. A key recommendation of the Task Force concerns the establishment by the Advisory Commission on Intergovernmental Relations of an Intergovernmental Information Systems Exchange, to be financed jointly by the Federal Government, by States, and by local governments.

3. The Bureau of the Census, in planning for the 1970 Censuses of Population and Housing, has developed a number of techniques which appear to offer new opportunities for local governments to make more direct and effective use of Census materials in dealing with important social and economic problems.

4. The Office of Economic Opportunity has been engaged in a program which aims to make available information on both Federal and State program

expenditures down to the county level. Bureau of the Budget Circular A-89 designates the Office of Economic Opportunity as the official agency of the Executive Branch to issue a "Catalog of Federal Domestic Assistance."

5. The Economic Development Administration hopes to make both system routines and data subsets from its Comprehensive Information System and Data Base available to regional commissions, development districts, interested universities, and other appropriate public bodies. Should this prove feasible, it will reduce the cost and improve the quality of economic development programs.

All of these efforts are directed toward achieving some of the objectives sought by H. J. Res. 434.

The recommendation by the Intergovernmental Task Force on Information Systems that an Intergovernmental Information Systems Exchange be established by the Advisory Commission on Intergovernmental Relations appears to be particularly relevant to the purposes of H. J. Res. 434. This proposition was placed before the Commission on June 21, 1968. During a lengthy discussion, several members indicated their feeling that such an Exchange is needed, but that it should be established under auspices other than the ACIR. The Commission concluded that it should be its policy not to undertake any additional service functions but, rather, to concentrate its resources, and energies on advising, researching, and providing informational and educational materials on intergovernmental problems. It should be noted that the Bureau of the Budget is now exploring ways and means of coordinating Federal, State, and local information systems.

There is a question then as to the most appropriate agency to conduct the type of operations analysis contemplated in the Resolution. The role of the Bureau of the Budget and other parts of the Executive Branch of the Federal Government should be appraised carefully before charging the Advisory Commission with the responsibilities envisaged in the Resolution. If it should be concluded that the Commission were the most appropriate vehicle, the specific responsibilities set forth in the Resolution would seem to be entirely manageable.

Honorable William L. Dawson

Page 5

Thank you for the opportunity to comment on H. J. Res.
434.

Sincerely,

Farris Bryant
Chairman

cc: W. H. Rommel, BoB
Enclosure

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