

duplication, and fragmentation of the existing grant structure necessitate a vigorous state role. States can provide a valuable service to their local governments by offering accurate and up-to-date information on what grants are available for what purposes. They can clarify application requirements. They can assist their localities to organize and gear up for making applications and administering programs. They can help localities to file applications. In many fields, such as education and welfare, a state line agency has long-standing relationships with federal agencies administering new grant programs. These and other state agencies can be invaluable in bringing the new federal programs to the local communities, and in helping the latter to take advantage of them.

In addition, one of the critical needs in our federal system is the shortage of trained personnel. So serious is the need now that the Congress in 1967 is likely to consider legislation requiring extension of existing merit system requirements; making grants to assist state and local personnel administration; and providing financial aid for training state and local personnel. State governments can be of considerable assistance in helping recruit, select, and train local personnel as they already have done in the field of assessing.

Finally, and most important, states can increase the amount of financial assistance they provide for their localities.

Consistent with their responsibilities for achieving an equitable and balanced overall system of taxation and for husbanding their economic resources, the states should authorize their localities to levy new taxes, particularly as "piggy-backs" to state wide sales or income

taxes. They also should expand the amounts of grants-in-aid to their localities by increasing state aid and assisting localities in paying their share of federal programs. Only by "buying into" federal-local grant programs, picking up at least one-half the non-federal share, and establishing appropriate administrative machinery can the states fairly claim a right to participate in the direction and administration of federal grants to localities.

In administering their own programs of financial assistance, states must re-examine their aid formulas. They must be certain that adequate assistance is going to those municipalities that need it most. Specifically, the states should make sure that their aid formulas help offset the growing imbalance in resources between central cities and suburbs that plague metropolitan areas. They must take positive steps here to alleviate the mounting social and economic disparities, increased tensions, and specific urban problems such as poverty, housing, and race relations. As Professor Alan K. Campbell has pointed out, while state aid allocation formulas tend to favor rural over urban areas, within urban areas they tend to favor suburban as against central city areas. He warns: "[The] . . . figures demonstrate that, despite the increased fiscal efforts being made by state governments, they have not yet adjusted their aid systems to reflect the new metropolitan reality."

GENERAL REPUTATION - NEGATIVE

Clearly, the states have a broad and basic role to play in the urban affairs of the nation. But ask most people if they are playing it, or if they are likely to. In most cases, you will get a skeptical, if not negative, response. Why? The reason stems from the generally critical