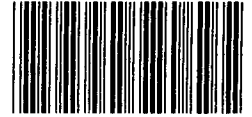




UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

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COMMUNITY AND ECONOMIC  
DEVELOPMENT DIVISION

B-176823

November 1, 1979

The Honorable Robert <sup>B</sup>Duncan  
House of Representatives

Dear Mr. Duncan:

Subject: [Use of Other Federal Grant-In-Aid  
Programs to Meet the Local Matching  
Requirement of the Land and Water  
Conservation Fund] (CED-80-23).

On September 12, 1979, you requested a listing of Land and Water Conservation Fund (LWCF) projects that received assistance from other Federal grant-in-aid programs to finance all or part of the local matching share requirement. As we advised your office, at this point in our review of Heritage Conservation and Recreation Service (HCRS), which administers the LWCF, we have identified 500 projects that have received financial assistance from other Federal programs.

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The total cost of these projects amounted to about \$144 million with a Federal contribution of about \$113 million, or 79 percent of the projects' costs. Of the 500 projects, 107 were financed entirely with Federal funds. HCRS provided \$66 million in LWCF assistance. (See enc. I.) The Appalachian Regional Commission provided \$12 million; the Department of Housing and Urban Development (HUD), \$22 million; the Department of Commerce, \$11 million; and revenue sharing, \$2 million. (See enc. II.)

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The Land and Water Conservation Fund Act of 1965 (Public Law 88-578, as amended) provides grants to States and local governments for planning, acquiring, and developing outdoor recreation projects. The act restricts grants to 50 percent of the project cost and requires the State or local government to finance the remaining share. The act also contains a prohibition against using other Federal grant funds to satisfy the local matching share requirement. The Department of the Interior's Solicitor's Office said that the LWCF Act's prohibition concerning the local matching requirement may be overcome if the statutory provisions of a subsequently enacted Federal grant-in-aid

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program explicitly allow recipients to use such assistance to help meet local matching share requirements for LWCF projects. The Solicitor's review indicated that the statutory basis for the Federal programs providing financial assistance to help meet the LWCF local matching share for the 500 projects contained such an authorization.

In our June 4, 1979, report to the Chairman, Subcommittee on Interior and Related Agencies, House Committee on Appropriations (CED-79-89), we pointed out that the Housing and Community Development Act of 1974, enacted nearly a decade after the LWCF Act, authorizes the use of community development funds to pay the required non-Federal share or local match of another grant program that is part of the locality's community development program. In our opinion, this authorization creates a limited statutory exception to the prohibition contained in the LWCF Act.

Our report pointed out that in the absence of a statute analogous to the 1974 HUD Act, Federal grant-in-aid funds could not be used to meet the LWCF-required local matching share. However, with respect to the projects we identified, the statutory authorization for funding the local LWCF match with other grant funds contained language analogous or substantially identical to the authorization contained in the HUD Act.

We recommend, as we did in our earlier report, that the appropriate congressional committees review the LWCF Act restriction and grant program authorizations such as those contained in the HUD Act. This review is essential if the Congress is to fully evaluate the local matching share requirements it initially envisioned for LWCF projects in light of more recent congressional enactments.

We are sending copies of this report to the Secretary of the Interior; the Director, Heritage Conservation and Recreation Service; and Interior's Inspector General. We are also sending copies to other interested parties.

Sincerely yours,

*Henry Eschwege*

Henry Eschwege  
Director

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Enclosures - 2

## STATE SUMMARY OF TOTAL FEDERAL FUNDING OF

## LAND AND WATER CONSERVATION

## FUND PROJECTS (note a)

State	No. of projects	Project cost	LWCF grant	Other Federal funds (note b)	Federal contribution	Federal percent (note c)
Alabama	7	\$3,283,872	\$1,641,936	\$832,228	\$2,474,164	75
Alaska	1	189,543	75,000	75,000	150,000	79
Arizona	3	1,240,000	620,000	620,000	1,240,000	100
Arkansas	25	7,399,210	3,661,795	1,687,189	5,348,984	72
California	3	690,856	345,428	261,550	606,978	88
Colorado	13	3,794,870	1,897,435	722,898	2,620,333	69
Connecticut	9	3,138,200	1,231,600	1,612,750	2,844,350	91
Delaware	2	314,080	157,040	121,000	278,040	89
District of Columbia	0					
Florida	0					
Georgia	17	4,298,035	1,861,296	1,416,557	3,277,853	76
Hawaii	0					
Idaho	4	1,104,100	552,050	493,470	1,045,520	95
Illinois	0					
Indiana	8	1,043,030	521,515	518,915	1,040,430	99
Iowa	15	693,920	346,960	178,662	525,622	76
Kansas	7	1,833,450	916,725	693,768	1,610,493	88
Kentucky	9	3,763,559	999,752	1,475,925	2,475,677	66
Louisiana	0					
Maine	4	695,000	347,500	344,500	692,000	99
Maryland	5	1,578,600	789,300	183,327	972,627	62
Massachusetts	19	8,321,562	3,507,790	4,757,047	8,264,837	99
Michigan	57	6,102,870	2,643,623	1,744,781	4,388,404	72
Minnesota	23	1,963,146	906,244	509,039	1,415,283	72
Mississippi	9	3,210,080	1,438,117	1,058,724	2,496,841	78
Missouri	18	2,630,978	1,315,489	1,242,905	2,558,394	97
Montana	2	944,532	381,137	453,629	834,766	88
Nebraska	1	1,087,500	432,000	438,000	870,000	80
Nevada	0					
New Hampshire	1	373,615	186,808	82,000	268,808	72
New Jersey	1	2,100,000	840,000	210,000	1,050,000	50
New Mexico	32	3,062,154	1,459,382	769,005	2,228,387	73
New York	21	10,202,678	5,101,339	3,098,187	8,199,526	80
North Carolina	5	3,534,646	1,767,323	810,117	2,577,440	73
North Dakota	6	2,356,301	548,709	1,061,064	1,609,773	68
Ohio	7	4,883,712	2,340,899	1,385,728	3,726,627	76
Oklahoma	2	432,500	149,750	146,250	296,000	68
Oregon	8	871,887	420,015	312,792	732,807	84
Pennsylvania	1	600,000	78,150	225,000	303,150	51
Rhode Island	16	4,930,224	2,465,113	1,856,857	4,321,970	88
South Carolina	14	4,387,276	2,193,641	743,582	2,937,223	67
South Dakota	22	1,295,801	651,539	351,991	1,003,530	78
Tennessee	11	2,979,915	1,484,568	551,351	2,035,919	68
Texas	21	8,850,648	4,425,324	2,668,563	7,093,887	80
Utah	3	1,854,367	787,184	447,183	1,234,367	67
Vermont	2	393,148	196,549	49,258	245,807	63
Virginia	10	2,377,920	1,060,582	857,454	1,918,036	81
Washington	0					
West Virginia	34	18,486,639	8,133,218	6,443,751	14,576,969	78
Wisconsin	6	1,244,766	622,383	371,463	993,846	80
Wyoming	10	2,453,570	1,226,785	326,987	1,553,772	63
American Samoa	0					
Guam	1	486,267	200,000	262,927	462,927	95
Puerto Rico	3	5,339,038	2,572,286	2,658,405	5,230,691	98
Virgin Islands	2	689,000	332,000	132,000	464,000	67
Total	500	\$143,507,065	\$65,833,279	\$47,263,779	\$113,097,058	79%

a/Only includes projects where States or localities used other Federal funds to meet the 50-percent local matching share required by the LWCF Act of 1965.

b/Enclosure II shows the sources of other Federal funds used as the local matching share.

c/107 projects were totally federally funded, and 65 were 90 to 99 percent federally funded.

SUMMARY OF OTHER FEDERAL  
FUNDS USED TO MATCH LWCF GRANTS

<u>State</u>	<u>ARC</u> <u>(note a)</u>	<u>HUD</u> <u>(note b)</u>	<u>Commerce</u> <u>(note c)</u>	<u>Revenue</u> <u>sharing</u> <u>(note d)</u>	<u>Total</u>
Alabama	\$832,228				\$832,228
Alaska		\$ 75,000			75,000
Arizona		620,000			620,000
Arkansas		685,877	\$837,363	\$163,949	1,687,189
California		261,550			261,550
Colorado		349,021	373,877		722,898
Connecticut		681,750	931,000		1,612,750
Delaware		80,000		41,000	121,000
Georgia	769,983	417,074	229,500		1,416,557
Idaho		493,470			493,470
Indiana		245,825	273,090		518,915
Iowa		47,805		130,857	178,662
Kansas		338,100		355,668	693,768
Kentucky	1,435,925		40,000		1,475,925
Maine		332,500		12,000	344,500
Maryland	61,636	61,091	60,600		183,327
Massachusetts		4,757,047			4,757,047
Michigan		780,800	904,152	59,829	1,744,781
Minnesota			509,039		509,039
Mississippi	808,324		250,400		1,058,724
Missouri		1,156,539		86,366	1,242,905
Montana			453,629		453,629
Nebraska			438,000		438,000
New Hampshire		82,000			82,000
New Jersey		210,000			210,000
New Mexico		6,000	763,005		769,005
New York	342,000	2,226,887	206,000	323,300	3,098,187
North Carolina	745,569		64,548		810,117
North Dakota		713,000	348,064		1,061,064
Ohio	1,196,197	20,000	169,531		1,385,728
Oklahoma			146,250		146,250
Oregon			170,400	142,392	312,792
Pennsylvania			225,000		225,000
Rhode Island		994,780	862,077		1,856,857
South Carolina	137,732	305,850	300,000		743,582
South Dakota			351,991		351,991
Tennessee		130,000	421,351		551,351
Texas		2,249,879		418,684	2,668,563
Utah		447,183			447,183
Vermont			17,505	31,753	49,258
Virginia	299,494	450,000	107,960		857,454
West Virginia	5,682,114	452,039	209,820	99,778	6,443,751
Wisconsin			371,463		371,463
Wyoming			326,987		326,987
Puerto Rico		2,278,623	379,782		2,658,405
Guam		200,000	62,927		262,927
Virgin Islands		132,000			132,000
<b>Total</b>	<b>\$12,311,202</b>	<b>\$22,281,690</b>	<b>\$10,805,311</b>	<b>\$1,865,576</b>	<b>\$47,263,779</b>

a/Appalachian Regional Commission

Appalachian Regional Development Act of 1965 (Public Law 89-4), as amended, 40 U.S.C. App. §§1 et seq. (1976)

ARC was established to stimulate public investment in public facilities to enhance social and economic development in Appalachia. ARC is authorized to make supplementary grants to enable people, local communities, and States to take maximum advantage of Federal grants-in-aid programs.

b/Department of Housing and Urban Development

Urban Growth and New Community Development Act of 1970 (Public Law 91-609), as amended, 42 U.S.C. §4531 (1976)

Title VII of the act authorizes supplementary grants to State and local governments to encourage the development of well-planned, diversified, and economically sound new communities.

Housing and Community Development Act of 1974 (Public Law 93-383), as amended, 42 U.S.C. §§5301 et seq. (1976)

Title I of the act provides the authority for Community Development Block Grants to be employed to develop viable urban communities. Activities pursued in the achievement of that goal include improvement of public services, improvement in the use of land, and preservation of property with special values.

c/Department of Commerce

Economic Development Administration

Public Works and Economic Development Act of 1965 (Public Law 89-136), as amended, 42 U.S.C. §3131 (1976)

This program is intended to assist in the construction of public facilities needed to initiate and encourage long-term economic growth in geographic areas experiencing severe unemployment.

Regional Commissions (Upper Great Lakes, Four Corners, Old West)

Public Works and Economic Development Act of 1965 (Public Law 89-136), as amended, 42 U.S.C. §3188a (1976)

These Commissions were created to enable the States in their respective regions to take maximum advantage of Federal grant-in-aid programs which stimulate the acquisition of land and/or the construction of facilities for economic growth.

Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93-567), as amended, 42 U.S.C. §3246b (1976)

Title X of the act provides emergency financing assistance to stimulate, expand, or maintain job-creating activities in areas suffering from unusually high levels of unemployment.

d/General Revenue Sharing

State and Local Fiscal Assistance Act of 1972 (Public Law 92-512), as amended, 31 U.S.C. §§1221 et seq. (1976)

Through title I, the act provides greater decentralization and flexibility in Federal financial assistance to State and local general purpose units by authorizing the distribution of funds on a virtual "no strings" basis.