

BOB DOLE



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EMBARGOED FOR PASSAGE OF REVENUE SHARING BILL
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DOLE APPLAUDS REVENUE SHARING PASSAGE

WASHINGTON -- The United States Senate tonight approved legislation authorizing a pilot project to study the feasibility of allowing states to trade off other grant funds for more flexible revenue sharing funds. Senator Dole initially proposed this unique trade-off earlier this year.

The pilot project passed as part of the general revenue sharing funding extension, passed by the Senate this evening.

"The trade-off device is consistent with our idea of federalism," Dole said, "that spending priorities should be set, wherever possible, at the level of government closest to the daily concerns of our citizens. The study of this trade-off mechanism is authorized by the bill, and I believe it gives us an excellent opportunity to work out a procedure for continuing revenue sharing for the states in a manner consistent with budget restraint. At the same time, we will get a better idea of which grant programs are most valuable to the states."

Dole praised passage of the revenue sharing extension.

"Over the years, the role of the national government in our federal system has grown at the expense of state and local governments," he said. "The result in too many cases has been inefficiency, too much dictate from Washington, and an undermining of the authority of state and local governments. With less authority, those governments are in danger of becoming less responsive and less accountable to their citizens.

"I believe it is particularly significant that we agreed overwhelmingly to restore state governments to the program beginning in 1982. We have to recognize the vital contribution of state governments to a healthy, properly functioning federal system.

"One reason I preferred the House bill is that I have reservations about the counter-cyclical fund proposed as an amendment, based on the Finance Committee bill, and funded at the level of \$1 billion. This money is not provided in the budget resolution for 1981. Nor is it clear that such a fund would pay out in time to combat recession. In addition, the House has never accepted the Senate triggering formula for such a fund, using unemployment data."