

plats unless the water supply and sewage facilities provisions conform to the plan.

6. STATE FINANCIAL AND TECHNICAL ASSISTANCE AND INCENTIVES FOR COMPREHENSIVE DEVELOPMENT OF FACILITIES PLANNING AND CONSTRUCTION

The Commission recommends State legislation to (a) provide grants for capital development, supplementing Federal aid;²⁰ (b) provide incentives for comprehensive development and appropriate organization on watershed, drainage basin, or metropolitan area bases²¹ with sufficient discretionary authority vested in the State administrators to discourage uneconomical investment in water and sewer utilities; (c) expand State technical assistance programs for waste disposal planning and construction; (d) liberalize debt limits and referenda requirements for water and sewage facility financing;²² and (e) permit joint action by units of local government in meeting area water and sewage needs.²³

The most fruitful approaches to the problem of inadequate local investment are the provision of incentives in the form of matching grants from the State and Federal governments, more rigorous State and Federal enforcement of public health and pollution control requirements, and improved service area organizations offering economies of scale.

Other State activities that might be undertaken to insure adequate long-term urban water supplies include use of State loans or grants for urban water projects and support for efforts aimed at solving urban water problems in a comprehensive and coordinated manner; provision of improved and expanded water supply technical services by the State to urban areas; State support or stimulation of planning and research, including economic and demographic studies, and wide dissemination of the findings; the extension or development of State technical engineering services for the development of regional, basinwide or statewide surveys to establish future water needs and to provide a broad framework for cooperative development of water sources and transmission facilities to urban centers. State participation and assistance is justified when the local jurisdictions involved cannot agree on solutions for providing water services. State programs should provide incentives for comprehensive development of waste treatment facilities and should insure against uneconomical investment in small community facilities. New York's recently enacted State sewage treatment program is one of the few that recognizes comprehensiveness as a criterion in the administration of sewage treatment grants.

State development of urban water sources is best illustrated in New Jersey and California. Other States are likely to expand their water

²⁰ See "State Financial Assistance and Channelization of Federal Grant Programs for Urban Development," ACIR 1966 State Legislative Program (Washington, D.C.: October 1965), pp. 226-236.

²¹ A suggested State act, "State Assistance for Interlocal Cooperation," providing for increasing the share of State financial assistance for joint projects is included in the ACIR 1966 State Legislative Program (Washington, D.C.: October 1965), pp. 357-359.

²² A suggested State constitutional amendment and implementing act to allow contracting of debts for public works subject only to a permissive referendum decided by a simple majority, is included in the ACIR 1966 State Legislative Program (Washington, D.C.: October 1965), pp. 84-98.

²³ See "Interlocal Contracting and Joint Enterprises," ACIR 1966 State Legislative Program (Washington, D.C.: October 1965), pp. 398-406.