adequate supply of safe water, and to encourage economical and orderly development of land for residential, industrial, and other purposes since the type and location of water and sewerage facilities is a critical determinant of land use. The suggested act, referred to on page 144 above, provides a framework for such planning by communities and relates the planning process to an enforcement program.

9. USE OF FEDERAL ENFORCEMENT AND FEDERAL INCENTIVES FOR INDUSTRIAL POLLUTION ABATEMENT

Strong Federal enforcement powers and financial incentives, or both, are needed for industrial pollution abatement. The Commission recommends that the President direct the appropriate Federal departments and agencies to evaluate present enforcement powers and financial incentives in order to determine how their effectiveness may be improved through changes in procedures, policy, or statutory revision, and to determine the roles of State and local governments in such a program. A report on the use of industrial incentives for pollution control prepared for the Public Health Service, reviews, describes, and evaluates present practices and possible approaches for Federal and State governments.[24]

Federal water quality control activities are extremely important to the continued effectiveness of State and local pollution abatement programs. The underlying objectives of Federal research and enforcement efforts—to strengthen State water prorgams so that problems can be resolved without Federal intervention—is sound. The Federal role is vital if States and localities are not to be penalized, particularly by industry, for developing and enforcing effective water quality programs.

It may be fruitful also to explore the possibility of a Federal tax based on water use, more particularly on the quantity of pollution it carries into the rivers and streams, with the proceeds of such a tax used to finance part of the cost of water pollution control. Closely related is the question of whether to offer special corporate income tax treatment of business investment in pollution control facilities. A number of States (Arkansas, Maine, Massachusetts, New Hampshire, North Carolina, Vermont, Virginia, Wisconsin) currently provide tax benefits for industrial pollution control. A somewhat different approach for use of Federal taxes to foster investment in waste treatment facilities has been offered by Marion Clawson and Irving K. Fox; they recommend a Federal tax on all municipal and industrial water with tax rebates commensurate with city or industry funds spent on pollution abatement or control.[25]

10. RECOGNITION OF WATER SUPPLY REQUIREMENTS IN FEDERAL WATER PROGRAMS

Future Federal water resources planning and development should give as much attention to urban needs as to other water requirements.

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[24] U.S. Public Health Service, *Industrial Incentives for Water Pollution Abatement* (Washington: U.S. Department of Health, Education, and Welfare, 1965).

[25] Marion Clawson and Irving K. Fox, *Your Investment in Land and Water* (Washington: Resources for the Future, 1961), p. 20.