

facilities, as compared to "the out-of-sight, out-of-mind" type facility such as sewers.

TABLE 4.—Contract awards for sewer collecting systems 1952-65

[Millions of dollars]

Year:	Source of funds		Total
	Public ¹	Private ²	
1952	\$225	\$157	\$382
1953	286	150	436
1954	211	161	405
1955	301	171	472
1956	305	140	445
1957	247	127	374
1958	310	144	454
1959	336	155	491
1960	359	125	484
1961	380	129	509
1962	320	131	451
1963	405	136	541
1964	396	130	526
1965	385	128	513

¹ Source: "Sewage and Waterworks Construction," Public Health Service Publication No. 758.

² Estimated from housing statistics as reported by Bureau of Census.

Though the percent of municipal expenditures obligated for sewage, including sewage treatment, has continued to be relatively constant through the years, the increasing emphasis placed on waste treatment facilities has absorbed the increase in funds available as municipal resources have increased.

2. SOURCES OF FINANCING

As indicated in table 4 one-fourth of the capital outlays for sewers annually is undertaken by homebuilders, who in turn pass on the cost of the facility to the individual home buyers. The balance of funds for construction is normally obtained through private borrowings. A limited amount of Federal aid has been provided through the years for sewer construction, either as a part of some other undertaking or for brief periods of time as direct grants to finance construction of sewer facilities (that is, the Public War Housing Act of 1940 and its amendments, \$54 million; and the Public Works Acceleration Act of 1962, \$128 million).

Though no data are available regarding sanitary sewer borrowings from private sources, the gross amount of such borrowings is exceptionally small. Long-term public borrowings through the municipal tax exempt bond market (as reported by the Investment Bankers Association to the Department of Health, Education, and Welfare (PHS publication No. 965)) however, account for 63 percent of all municipal undertakings. These borrowings are divided into three general categories on a dollar basis as follows:

Fifty-seven percent general obligation bonds

Twenty percent sewer revenue bonds

Twenty-three percent mixed sewer and/or other type revenue bonds with or without general obligation underwritings.

In order to assist local public bodies that cannot sell their bonds on the open market at a reasonable interest rate, the Federal Govern-