

(d) The extent to which various levels of Government will participate in the estimated capital outlays is very difficult to predict at the present time. State programs vary widely as indicated in paragraph C(3) above, and others are considering legislative proposals in this field. For the immediate future, the cities, towns, counties, and special districts will find it necessary to provide most of the capital outlays.

2. FINANCING METHODS

(a) No change is expected in the methods used by local communities to finance their share of the cost of constructing waste treatment facilities (see C(3) above). No estimate can be made concerning the Federal role at this time. The present program expires at the end of fiscal year 1967, but Congress is presently considering legislation which would continue the program.

(b) The present methods of financing should yield adequate capital to accomplish the objectives. The principal problem is to predict the likelihood of municipalities responding fully to meet their needs within the time indicated. Except in those cases where the States act to assist with the cost of a project, the municipalities must finance 70 percent of the cost of projects. Much has been said in the past concerning the financial problems of municipalities and the competition for the municipal dollar. This competition for the municipal dollar will play a significant role in the response of municipalities to this program.