Secretary UDALL. Finally, I would like to add one thing, Mr. Chairman.

My Department is one of the few that comes fairly close each year to having its own Department budget in balance. This is because we administer resources from which receipts are substantial—receipts from various activities, such as the leasing of minerals, petroleum and grazing.

I can't think of any sounder philosophy than of using some of the revenues from one resource, particularly in this instance a depleting resource—the oil and gas revenues from the Continental Shelf—and reinvest them in outdoor recreation lands and park lands, forest lands and other lands which form the basis of the estate of the Nation in the future.

I think from the standpoint of philosophy, it is economically sound. We commend this legislation to you.

I thank you.

The CHAIRMAN. Mr. Secretary, we will insert the two attachments to your statement at this point and then take up the questioning.

(The attachments referred to follow:)

THE LAND AND WATER CONSERVATION FUND ACT OF 1965 AND S. 1401

THE LAND AND WATER CONSERVATION FUND ACT OF 1965

This Act established the Land and Water Conservation Fund. It earmarked as revenues for the Fund the proceeds from the sale of surplus Federal real property, the unclaimed Federal tax on fuel used in pleasure boats, and the proceeds from a system of entrance and user fees at Federal recreation areas—a system of fees authorized by the Act. After appropriation by the Congress, these funds can be used by the National Park Service, the Forest Service, and the Bureau of Sport Fisheries and Wildlife for the acquisition of lands and waters for outdoor recreation. Areas to be acquired by these Federal agencies must have been authorized by other legislation. Money appropriated from the Fund can also be used by the States and their political subdivisions (through the State) for the planning, acquisition, and development of outdoor recreation areas and facilities. The law provides for Federal grants of up to 50 percent of approved projects.

The Act suggests that the Fund be divided 60 percent for State grants and 40 percent for acquisition by the Federal agencies. It provides, however, that during the first five years the President can recommend modifying this distribution by plus or minus 15 percent. The Congress can always change the percentage when it makes appropriations from the Fund.

The moneys appropriated for State use are apportioned to the States on the basis of two-fifths divided equally among the 50 States and three-fifths divided among the 50 States plus the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa on the basis of need. In determining need, the Secretary will consider, among other things, population, the extent of Federal recreation programs, and out-of-State visitor use.

THE FIRST THREE YEARS

During the first three years of its existence (January 1, 1965, to December 31, 1967), the Fund has received $289,239,336 in revenue. $53,650,087 more has been appropriated and is expected to accrue during the remainder of fiscal year 1968. Of this total, the States have or will receive $214,314,808, the National Park Service $78,625,460, the Forest Service $48,459,457, and the Bureau of Sport Fisheries and Wildlife $2,047,915.

As of January 1, 1968, the States and their political subdivisions have obligated $138,516,686 for 2,486 projects. $50,929,264 Federal and an equal amount of State or local money have been used to acquire 295,000 acres. $2,961,494 in Federal funds plus the State match have been obligated for 69 State planning projects, and $84,625,928 in Federal plus an equal amount of State or local moneys have been obligated for 1,667 projects to develop various types of outdoor recreation facilities.