

We trust the information provided in this letter will meet your needs for information pertaining to the relative benefits of fee collections at Corps' projects. Your continued concern for the well-being of the Land and Water Conservation Fund is appreciated.

Sincerely yours,

EDWARD C. CRAFTS, *Director*.

The CHAIRMAN. Senator Kuchel.

Senator KUCHEL. Mr. Secretary, I, too, congratulate you on your statement.

I am the coauthor of the bill before us, S. 1401. I do have some questions I want to ask concerning it.

Mr. Secretary, first of all, raising a problem that we do not deal with in S. 1401, I refer to an editorial appearing in the Santa Barbara News-Press on December 27, 1967, which was sent to me by the executive editor of that paper, Mr. Paul Veblen. The editorial says in part:

It is reasonable to ask that the Federal Government, which expects to receive some \$300 million in bonus money from companies bidding for the 110 leases to be offered for sale on February 6, and additional millions in royalties in future years, set aside a percentage of this income as a pollution insurance fund to provide compensation for any damages resulting from the development of such leases.

It seems to me that this is a splendid idea. I recognize that your Department and you perhaps have not had any opportunity to study the effect of the creation of such a fund in the legislation we have before us.

I want to take the position that it is in the public interest to set aside an appropriate sum from the expanded land and water conservation fund to be used for just such a purpose; that is to say to permit you to take appropriate steps to prevent a tragedy along the beaches in the given area and to compensate landowners for damages which might occur.

Could you supply to the committee the views of your Department and yourself on such a recommendation?

Secretary UDALL. I will be glad to supply this to the committee.

I would like to do it in writing because you are suggesting a major change.

I would like to say this, however: We are very much concerned about this problem. We have a piece of legislation pending addressed to it that grew out of the *Torrey Canyon* disaster last year. In fact, Senator Muskie and the Public Works Committee have already enacted a piece of legislation and I would like to call your attention to it because this revealed we were not prepared to deal with disasters like the *Torrey Canyon* accident and thing of that kind where great damage can be done to beaches, to marine life, to the environment.

Among the things proposed in this legislation is not only research but to give us a special fund where if anything like this happens we can move in with the very best technology that is available on an emergency basis and correct the situation as well as possible.

I am aware that the Santa Barbara people and many others were very concerned about this oil leasing program. I put my very finest marine scientist on it and we are going to have a lot of precautions taken. The oil industry has shown that it can operate with great care. They are going to have to do this even more than they have in the past so that we can have oil development and at the same time protect our other vital resources.