

ever, public use has grown tremendously, and the original open and primitive docks have in many instances been converted to enclosed boathouses, some with living quarters, which patently contradict any concept of being nonexclusive and available for public use.

The intent of Congress as expressed in the act of August 31, 1951 (5 U.S.C. 140), is that a charge should be made for any benefit, permit or use granted by any Federal agency and that such charge should be fair and equitable, taking into consideration direct and indirect costs to the Government, value to the recipient, public policy or interest served and other pertinent facts.

In addition, the Bureau of the Budget, in its Circular A-25, dated September 23, 1959, prescribed that fair market value should be realized where the exclusive use of Government property is involved.

In order to be consistent with the general policy of obtaining adequate compensation for the grant of a valuable right and to recoup from the beneficial user a portion of the administrative cost involved in granting and administering these permits, the Corps proposes to impose charges on all structures located on Government land, floating or fixed, which are intended for exclusive private use.

A copy of the directive proposing this action, EC 1130-2-25, is submitted for the record.

The principal type of user affected, the resident adjacent to a reservoir, has no vested right in the shoreside lands, but is entitled to use the shore to the same extent as, and to no greater extent than, other members of the public. There is no reason why these individuals should be permitted to build, free of charge, docks, boathouses, and other facilities for their own private benefit and exclusive use, on or over Government land when other members of the public must pay for similar privileges at commercial areas or as members of yacht and boat clubs.

Users of reservoir areas who do not own such permittee facilities have the alternative of paying concessionaires for comparable use. Operators of concessions in turn pay rental to the Federal Government. Yacht and boat clubs are also required to pay rental to the Federal Government for their entire installation including facilities for the storage of boats.

Other commercial users of shoreside facilities at our projects have historically paid for such use. These include docks and piers for the loading and unloading of grain, coal and other types of fuel, raw and finished products, et cetera, which require the use of Government-owned land, including the land under the dock or pier.

An illustration of such use is shown in illustration 1, page 1, of appendix B. This shows the Bi-State Development Agency dock at Granite City, Ill., on the Chain of Rocks Canal, Mississippi River. The Department of the Army grant for the use of this project land requires a rental payment of over a thousand dollars per year.

The amount of the proposed charge was established at \$10 for the first 200 square feet of land used, plus 7½ cents for each additional square foot. The base fee was established at \$10 so that the charge would not be prohibitive for small swimming and diving rafts and small boat owners. And the 7½ cents for each square foot in excess of 200 square feet was established to inhibit construction of large shoreside facilities.