

2. Price escalation is eating heavily into current funds and projections once considered to be adequate. This problem is well documented and applies to both land acquisition and development, and at State and local as well as Federal levels. In fact land prices in and near urban areas, which are the normal province of local projects, have far outpaced rural prices where Federal activity predominates. More funds are needed to compensate for this adverse economic trend and to accelerate the program before prices rise completely out of reach.

3. Many State and local financing programs were sold to voters on the basis of an accelerating level of Federal support. These agencies are now unable to utilize their funds as effectively as planned, because their money will go only half as far without Federal dollars to match it. Admittedly, the land and water conservation fund was never intended to match all State and local programs. It was intended to stimulate these governments into action and this it has done. Responses to a questionnaire prepared by NASORLO indicate that 90 percent of the States are pending State funds on qualifiable projects in excess of the amounts used to match land and water conservation fund moneys. Nevertheless, additional State and local funds are often hard to come by in the face of low level Federal support.

4. From the same NASORLO questionnaire, the level of current using funds from all Federal and State sources, was shown to be less than \$300 million annually. Local expenditures reported from 36 States and interpolated for the rest of them, are estimated at \$20 million. Total State and local needs for recreation land and development reported by 36 States and interpolated for the rest, amounts to slightly more than \$1 billion annually for 1967, 1968, and 1969 fiscal years. This is for the entire 55 States and territories. However, local needs have in the past been consistently underestimated by the States.

A study made by NASORLO carefully calculated local needs for various categories of local government in New York and Michigan. On the basis of this study, which indicated remarkable consistency between the two States, we most conservatively estimate an annual requirement by local units of government of at least \$660 million. Determining such an amount is tricky at best. These two estimates and the administrative estimate all indicate without question that the needs, all combined, are for the \$1 billion annually, and I would defend this as a conservative estimate.

We are aware that the administration has recommended that S. 1401 be amended so as to provide an amount sufficient to bring the fund up to \$200 million annually. It has also recommended that the fund be divided equally between State and Federal activities. Assuming that 50 percent of the States' share would be made available to local governmental units, the estimated \$660 million local need would then be supported by only \$50 million of Federal financing—a 7½-percent contribution.

I know of no Federal program which has been as effective a pump primer as has the land and water conservation fund. This committee has the unenviable job of dividing up funds which are always in-