

and it is only fair that it so remain. But the logic which compelled this long-established determination requires that the coastal States be permitted a like participation in the proceeds derived from federally administered submerged lands lying off their coasts.

In this connection I wish to emphasize again that Louisiana is denied the power to tax these activities, and I am sure that every member of this committee realizes that the needs of the people who make such development possible cannot be met, even approached, by the taxing of those areas now subject to the fiscal authority of our State.

Thus experience has proved the logic, and the necessity of the formula devised by the Congress for the disposition of revenues from the public lands of the interior.

Louisiana urges its extension to the public lands underlying the sea.

The national interest demands maximum development of these areas, and this development requires that local and State governments promptly and fully meet the demands of the people whose work and talents are necessary in the achievement of such development.

To this extent, State, local and Federal interests are undeniably interrelated. The achievement of one requires also the achievement of all others. Thus, as to coastal lands as to public lands of the interior, the application of the long-established policy relating to a sharing of development proceeds, is of vital importance to us all.

Now then what of the balance of these proceeds?

It is Louisiana's position before the Congress, as it has been Louisiana's position in her local affairs, that the very nature of the mineral development which we have experienced from our water bottoms necessitates the utilization of the proceeds of such development for purposes of the broadest possible public interest.

We know that these resources are depletable. Minerals, by their nature, are capital assets, and their commercial development into consumable items amounts to a consumption of a nonrecurring asset, and depletion of what I believe accountants term a wasting asset. Thus it would be totally imprudent, we submit, for any responsible government to utilize the economic benefits of such development for anything but the acquisition of additional capital items.

Congress has recognized the validity of the conservation principle in the Mineral Leasing Act, by requiring that 52½ percent of mineral revenues derived from the public lands be dedicated to reclamation, to the development of other lands within the public land States.

Louisiana endorses the principle of the reclamation fund, and urges the extension of that principle to the submerged lands. We suggest that the same proportion of revenues—52½ percent—be dedicated to permanent long-range programs to foster further development of the resources of the sea, and to protect and, if possible, enhance, existing resources.

Basic principles of good stewardship dictate that a major portion of the revenues derived from offshore mineral development be applied to such high-priority items as control of water pollution, increased research in the field of oceanography, hurricane protection, research into the causes, and possible sources and mitigation of earthquakes, for fisheries research, and similar purposes.