

of the page, where it says, "At the very least, special districts should be permitted to be a party to an application only with the consent of appropriate units of general government."

I take it that the special districts you refer to are such things as utility districts, school districts——

MAYOR BRILEY. Sanitary districts. There are a multitude of them and they are single-purpose districts that do not take into consideration the capability of the total economy of the community. I can show you some districts that the Federal Government has given grants for water under the agricultural program. They will never survive.

But, the people were interested in one thing, they were not interested in the total program, so they planned it in a manner that dealt with single purpose and did not deal with the total purpose of the whole area.

SENATOR BAKER. I think we both agree that in some areas, utility districts especially, in the absence of municipal governments, many have served a specialized purpose.

MAYOR BRILEY. That is correct. We have several in our area that we have not acquired as yet, as you know.

SENATOR BAKER. Do I understand the thrust of your proposal, then to be that the efforts of these more specialized units should be coordinated?

MAYOR BRILEY. Right, and the local government there ought to be called into the planning of it and at least have the value of its criticism or its approval.

SENATOR BAKER. So that I should not read this into this statement the proposal we have, the abolition of special purpose districts, but rather that their efforts be coordinated.

MAYOR BRILEY. Right, with the unit of local government that is involved.

SENATOR MUSKIE. Thank you very much, Mayor Briley. I appreciate your getting that subject into the hearings, and I think it is especially interesting in exploring the problem of taxation of municipal bonds. We are all concerned in one way or another with the increasing numbers of pieces of legislation.

Thank you very much.

MAYOR BRILEY. Thank you, Senator.

SENATOR MUSKIE. We are getting pressed for time and we have two more witnesses. First is Mr. Edward Potthoff, city manager of Saginaw, Mich., representing the International City Managers Association.

TESTIMONY OF EDWARD POTTHOFF, CITY MANAGER, SAGINAW MICH., REPRESENTING THE INTERNATIONAL CITY MANAGERS ASSOCIATION

MR. POTTHOFF. Senator Muskie, Senator Baker, I was not able to provide the committee with prepared, advance text. This was completed late last night. I have been tied up with an open-housing election.

Would you prefer me to present you with a couple of copies now?

SENATOR MUSKIE. Yes, if you have them now, that would be fine.

MR. POTTHOFF. I can report that our open-housing election was successful by overwhelming vote.