

Now, if they do not qualify here, then they must go back to the original grant program, which is going to be far deficient to meet the needs within a reasonable period of time.

Mr. McCARTHY. Right.

Mr. OEMING. And without removing the provision for remunerating—that is, the advancing of funds by municipalities—if that is taken out, I just question where we are ending up here. We would be removing the incentive to go ahead here.

Mr. McCARTHY. You have a sympathetic listener in me. I am from New York.

Now, what would you think of something that I broached with the Secretary this morning of keeping the prefinancing provision in along with embarking on the new bond procedure and giving States an option?

Mr. OEMING. I think this holds some definite promise, provided that the authorization in the present bill still remains for the grants. And I am not saying that we expect any appropriations be made here up to the full amounts of the authorization within the 4 years; I am saying that if Congress can't do this, they can attenuate it, fine, but this provides a foundation upon which the States can set up a funding program that will make certain that pollution control proceeds as promptly and expeditiously as possible.

Mr. McCARTHY. Do you know how many States have the programs underway that are based on the prefinancing provisions?

Mr. OEMING. Well, I can name some of them, sir. I am pretty sure Oregon has a bond issue set up, with Wisconsin doing some prefinancing out of current revenues, as is Indiana; Illinois is proposing a bond issue this fall also, predicated on the same assumptions here. I believe Pennsylvania has a bond issue and I think Ohio is working on one.

Now, those are the ones I am directly——

Mr. McCARTHY. New York?

Mr. OEMING. I know New York has been in the business a couple of years.

Mr. McCARTHY. Michigan? Maine?

Mr. OEMING. Maine. Yes. I think that is correct.

Mr. McCARTHY. I think you have hit on the point that at least I think is important, and that is that the States you have enumerated are those which have pioneered, which are moving ahead and who are using State revenues to attack this problem. They went ahead on the assurance that the prefinancing provision was in the law. Now 18 months later they propose to change the ground rules and, in effect, penalize those who have moved out ahead.

Mr. OEMING. I do not say necessarily penalize, but disrupt their programs that are now just beginning to get underway.

Mr. McCARTHY. I think, for the record, we might just cite the following letter received from the town of Orono, Maine, which is where the University of Maine is located, addressed to the chairman of the committee, the Honorable Representative Blatnik, where it states here:

The Legislature of the State of Maine took a giant step in the last Special Session to enact a Prefunding Act to assist communities in going ahead with their already prepared plans for pollution abatement. One of the conditions of this State Act is that the Federal government, when funds are available, reim-