

ALTERNATIVE PROPOSAL

Now, having been critical of the bill as proposed, we suggest that an alternative is possible, having in mind the current stringent fiscal situation of the Federal Government. We suggest, as long as the Government is unable to appropriate sufficient funds to cover the full Federal share of treatment projects, that bonds be authorized, to be issued as needed, with proceeds restricted to this purpose, in order to fund the Federal share. These bonds would be retired, through annual appropriations for principal and interest, in much the same way that the Federal share would have been paid under the bill as originally proposed. This mechanism would permit the accelerating program of construction to proceed without loss of impetus. Then the current grant program could be continued without having to reduce the amount authorized in the Water Pollution Control Act. Such a plan would also eliminate any differentiation between municipalities of varying size.

CONCLUSION

In conclusion, Mr. Chairman, let me reiterate the strong support of our industry for the Federal role in the financing of waste treatment works, and for the result which H.R. 15907 was clearly meant to bring about: Namely, the more rapid construction of these needed facilities. We are also pleased to note and support the provisions in H.R. 15907 for a continuing Federal program of research, demonstrations, investigations, training, and information relating to the prevention and control of water pollution.

We regret that certain provisions of this legislation appear to be so restrictive as to retard progress toward the desired goal and therefore hope your committee will make needed changes in these provisions to assure that progress will result from this legislation.

We realize that, given our national priorities as they exist today, the pollution abatement effort is not going to move forward as rapidly as might otherwise be the case. We hope that the day is near when fiscal realities will permit the Federal Government to fund its share of this effort.

I thank you for this opportunity to present our views on this important subject.

Mr. DORN. Thank you, Mr. Knowlton, for a very, I think, superb statement which will be helpful to the Committee.

Mr. Clausen.

Mr. CLAUSEN. I want to join the Chairman in expressing our appreciation to you, Mr. Knowlton, for coming down here and giving us the benefit of your views. I think that you have clearly analyzed some of the problems in the legislation now before us.

TAX INCENTIVES TO INDUSTRY

I wonder, could you give me the benefit of your thinking on the question of tax credits to industry, for the industry to perform the maximum in accelerating the industries resolving their own pollution problem?