

This Committee is, of course, very familiar with the increasing role of county government in water pollution control. We have, in the past advised this Committee on the special activities of our Association in trying to encourage and assist counties to initiate, improve or expand their own water pollution control programs.

In many areas, counties are in the forefront of new developments in water pollution control. This is evidenced by the fact that over half of the grants made in the first seven months of 1967 for the development of advanced water treatment methods were made to county governments.

Because sewage collection and treatment is recognized as an area-wide problem which should be solved on an area-wide basis, the National Association of Counties (NACO) has developed a water pollution control program designed to help counties across the nation undertake effective sewage collection and treatment programs. The project funded in part by a demonstration grant from the Federal Water Pollution Control Administration involved the publication of a Guide for Public Officials called *A Community Action Program for Water Pollution Control*. The Guide explains how counties can help in the fight against water pollution. Its primary purpose is to show counties, which are presently hamstrung by inadequate state legislative authority, how to secure enabling legislation which will permit them to provide sewage collection and treatment services. The Guide also shows counties how they can plan and develop countrywide programs, how to finance them, where to turn for financial and technical assistance, and how to secure community support for sewage treatment programs.

During the past two years NACO has been conducting a series of state clean water institutes in cooperation with state associations of counties and interested state organizations to stimulate state action programs for water pollution control and to help the county governments in their respective states secure the necessary enabling legislation which will permit them to provide sewage treatment services and facilities.

Many of our state clean water institutes led to the eventual passage of state enabling legislation permitting all of the county governments to provide sewage treatment facilities in all areas of the county requiring service. The Association of Oregon Counties secured passage of a County Service District Law enabling counties to provide sewage collection services in areas outside cities. The Maryland Legislature passed a bill authorizing the governing board of each county in the state to develop comprehensive plans for water supply and sewerage systems throughout the county, including areas within municipalities. This bill gives counties full responsibility for providing sewage collection and treatment facilities in all areas requiring service and many projects are under way.

To date, NACO has conducted clean water institutes in 35 states and will conclude the project by July 1 of this year. We envision the continued expansion of county programs for sewage treatment and water pollution control and look forward to more counties in more states participating in programs and projects supported by F.W.P.C.A. and related grant projects.

We feel that our Association's concern for and commitment to an effective nationwide water pollution control effort is very evident. It is therefore particularly difficult for us to question any approach which would provide us with additional financial assistance to combat water pollution.

However, it is not possible for us to endorse the financing proposal contained in H.R. 15907. The heart of the issue is that such action could establish a principle and a precedent which would jeopardize the tax exempt feature of state and local government bonds. If these bonds could retain their tax exempt feature, it would be most likely that we could endorse the proposal.

We appreciate the well-intentioned motivation for this proposal and we certainly do not see it as an effort on the part of any of the authors to jeopardize or attack the exemption. Rather we see it as an attempt, through new financial arrangements to meet what is indeed a very severe crisis. However, we are compelled to spell out our reservations. In effect what the proposal is doing is requiring the local governments to assume not only their share of the bonded indebtedness for water pollution control facilities, but that of the Federal Government as well. If counties had the same ability to raise their debt limitation as does the Federal Government, one aspect of the problem would not be so difficult. Unfortunately, not only must counties get approval from the state to raise often unrealistically debt limits, but sometimes a state constitutional amendment is required. Since we must operate under this restricted financial limitation, we are faced with the problem of assigning priorities to the many pressing needs of our counties. Water pollution control, of course, ranks among the most press-