

CONSULTING ENGINEERS COUNCIL OF NEW YORK STATE, INC.,
Glens Falls, N.Y., April 18, 1968.

Re: H.R. 15907; Senate 3206.

HON. ROBERT E. JONES,
Congressman, The House Office Building,
Washington, D.C.

DEAR SIR: The two Bills referred to above propose: "To amend the Federal Water Pollution Control Act, as amended relating to the construction of waste treatment works, and to the conduct of water pollution control research and for other purposes".

New York State has moved ahead rapidly in the field of water pollution abatement and has already established a number of working procedures based on the existing federal statutes with state statutes coordinated to the present federal law. It is, therefore, unfortunate that this amendment which may be beneficial in some states, has a serious determining effect on the continuance of New York State's Pure Waters Program.

Attached for your review is a statement of the provisions which would affect our State adversely.

We feel that the proposed statute can be revised so as to complement and improve the existing Federal Statute without injury to New York State's ongoing pollution abatement program. Your assistance in making these revisions is earnestly solicited.

Very truly yours,

HAROLD E. RIST, C.E.C.,
President.

[Enclosure.]

INFORMATION CONCERNING FEDERAL PROGRAM

The President recently announced publicly, and the Secretary of the Interior presented to the Speaker of the House of Representatives, a Federal program proposing to substantially change the existing construction grants program authorized under the Federal Water Pollution Control Act, PL89-753, as amended.

HR15907 was introduced on March 12, 1968 for enactment. The more important provisions of this Bill, as regards municipal projects in New York State, are as follows:

(a) Projects on which construction is initiated *after July 1, 1968* would no longer be eligible for reimbursement to the full Federal share of 50 or 55%.

(b) The Department of the Interior would contract with municipalities, or plant service areas, over 125,000 in population (Standard Metropolitan Statistical Area as defined by the Federal Bureau of the Budget) for the 55% Federal share. This share would be paid annually by debt service payments (principal and interest), and would guarantee the non-Federal share. The municipality's bonding arrangements would be specified and subject to approval. *Bonds would not be tax exempt.* One State could not receive more than 10% of the national appropriation, and there is no assurance that New York State could qualify for the maximum 10%. The FY-69 appropriation for this debt service contract provision is proposed at \$475 million. Since the average rate for *only* the City of New York appears to average \$50 million or more annually, it appears that the plan and the programmed annual funding will not provide sufficient funds for State of New York projects.

(c) A sewer use charge is required which "will be adequate to enable it to be operated in a businesslike manner capable of amortizing *treatment works costs*, together with *operation and maintenance costs*, and a reserve to meet to the greatest extent possible, *expansion or replacement requirements* of the treatment works service area". Italics added for emphasis.

(d) For municipalities under 125,000 population, the existing grant program would still be applicable (with the exception of the reimbursement clause), with an FY-69 proposed appropriation of only \$225 million, or only \$16,839,000 for State of New York projects. For FY-69, for Federal financing to the full Federal share of 50 or 55% programmed State of New York projects could use more than the total national amount of \$225,000,000, instead of only \$16,839,000.

(e) Because of the lack of available funds, it appears that strict adherence to a priority system will be required by the Federal government. The consequences on the State of New York Pure Waters Program are obvious.