

year some \$203 million were appropriated, and under the authorization it was \$450 million, this was considered minimum. Under the bill you have before you only \$225 million has been recommended, yet the authorization calls for \$700 million again as the minimum necessary to do the job.

Now I cannot answer for the Congress whether we can afford this or not, but speaking from the conservation standpoint, it is a must. This is one type of conservation activity that we cannot continue to ignore and to put off. This is perhaps not the place to do it, but my plea is that current authorizations or future authorizations, whatever they may be, be appropriated in full.

This is the minimum that we feel is necessary from the conservation standpoint.

The new bills before you, which would establish a contract authority for financing municipal grants, seems like a very good step in the right direction. A couple of years ago, while serving as a member of the Water Pollution Control Board, we recommended this as the way in which more effective use of Federal funds might be made by cities in constructing these sewage treatment works, guarantee of loans, payment of the Federal share over a contract period, guarantee of interest, payment of interest, seems like a very practical, very logical way in which the municipal grants can be financed. And I think it will go far toward helping the towns and cities to do a better job in utilization of Federal funds.

The guidelines—I do not need to repeat them for you. I have reviewed them quite carefully, and I think they are good. I believe that with the guidelines that have been established in the legislation, I am speaking now particularly of H.R. 15907, I think that these would assure the Federal Government of good compliance on the part of the municipalities.

I would support the non-tax-exempt feature for these securities, the bonds that would be issued under Federal loans. I think with public money being used for this purpose and with a guarantee of all of the loans on both the part of the State and the Federal Government, that we cannot afford to deprive the Federal Government of additional tax revenue that the non-tax-exempt feature would—that the tax-exempt feature would get.

Two other points. The 10-percent limitation to any one State is, I feel, desirable, because some of the more wealthy States could use up a tremendous amount of the money; but with the 10-percent limitation they still get a big share, and I think it is still enough to recognize those who are doing the most for themselves.

On the other side of the coin, I feel that a \$100 million authorization strictly for the smaller towns will keep them into the picture so that more wealthy communities, the big cities, will not use up all the funds.

I support this bill, Mr. Chairman. I am sure all the conservationists do, too, and again would urge, if we can get the appropriations as contained in this bill, if we can get the authorizations, I hope that Congress will have the courage also to make the full appropriations.

Mr. BLATNIK. Thank you very much.

Mr. Clapper.