

"(2) Operate the sewage treatment plant under the supervision of a qualified operator.

"(3) Collect and treat all sewage from the tributary area.

"(4) Present evidence that the sewage treatment plant has been constructed in compliance with approved plans.

"(5) Have enacted and enforced an effective sewer use ordinance.

"In addition, the municipality must provide a minimum of primary treatment at this time, adequate staffing of the plant, and laboratory tests and physical measurements to evaluate plant performance and determine compliance with stream standards."

The signatory State agree that more research is necessary in several areas, however, the amount proposed for research under HR 15907 is approximately 56 percent of the total requested construction grant appropriation. With due consideration to the currently critical financial situation, and the need for treatment plant construction, it would seem appropriate to reduce the research appropriation by at least one-half and add the difference to the construction grant appropriation.

It is noted that the proposed legislation would eliminate the provision in the existing act that one of the Federal regional water pollution control laboratories shall be located in the Northeastern area of the United States. It is our understanding that the site for this laboratory was selected and the final construction plans prepared for locating the facility in the Boston, Massachusetts area. The New England area has many problems peculiar to the region which would support the location of a regional laboratory in the Boston area. Among these are agricultural run-off which adds nutrients and pesticides to our surface waters. The problem of combined sewage storm water systems which are prevalent in this area; wastes associated with the food processing industries; the pulp and paper industries and tanneries still create problems in the waterways of the Compact areas. The accumulated bottom deposits in our streams and lakes from these industrial as well as municipal wastes have undoubtedly changed the characteristics of the aquatic ecology and studies oriented to the restoration of a balanced clean water biota would be of great benefit to the region. With more than 4500 miles of coastline in New England, the problem of water pollution from vessels is one which warrants considerable study. With this in mind, it would seem highly desirable to retain the Boston site for a regional water pollution control laboratory serving the Northeast.

The Commission notes with concern the provision to remove the tax exempt status of bonds for construction of waste treatment facilities. It is anticipated that removing the tax exemption feature would hamper the marketability of municipal bonds and might allow interest rates to exceed legal limits.

In conclusion, it is considered imperative that the prefinancing authorization set forth in Public Law 660 as amended be retained; additional funds are needed to maintain the program momentum for water pollution abatement if the States' implementation plans are to be realized on schedule; new funding requirements should allow sufficient time for communities to comply with the requirements without generating a "slow-down" of construction activity. A system of fund allocations to States must be developed to allow for the effective planning and construction of treatment works. Removal of the tax exempt status of municipal bonds could make the financing of water pollution abatement projects more costly at the local level, and in some instances result in the need for legislative authority to exceed legal interest rate limits. From the standpoint of program administration, it would be highly desirable to develop aid programs compatible with existing programs so as not to increase the administrative load on the State regulatory agencies. It is also recommended that the research fund authorization set forth in the proposed bill be reduced with the difference applied to available construction grant funds; and, that consideration be given to retaining the Boston, Massachusetts area site for the regional water pollution control laboratory serving the northeast region.