

bill is written, many of the smaller communities which would benefit under the program will be eliminated.

At this time I shall summarize in the briefest fashion the financing plan we proposed to the Department of the Interior. The concept was basically developed from the United States Housing Act of 1937, as amended. The proposal would work as follows:

The Federal Water Pollution Control Administration or other designated Federal agencies would undertake by contract to make annual contributions to the local government which are sufficient to amortize obligations issued by the local government in principal amounts equal to the determined Federal share of the cost of the treatment facilities.

The maximum period over which such annual contributions could be payable, and the obligations of the local government amortized, should be determined by the enabling legislation but relate to the useful life of a waste treatment facility.

The program also anticipates utilizing a loan program patterned after the United States Housing Act of 1937, as amended, and of the Urban Renewal Program, authorized by Title I of the United States Housing Act of 1949, as amended.

Under the authorization of a Federal loan program and a program for the payment of annual contributions, a local government with requisite powers would be assured of having both the means to assure the financing of the total project cost as needed, as well as a method to synchronize the timing of the Federal financial assistance portion. The general procedure that a local government would follow in financing a project in this way would be as follows:

One, enter into a loan and annual contributions contract with the FWPCA. Two, undertake the temporary financing of project cost, as required, by the issuance of notes secured by a requisition agreement with the FWPCA. Three, renew outstanding notes initially issued at maturity and issue new notes to finance additional project cost, all or said notes to be similarly secured by a requisition agreement with the FWPCA.

Four, upon determination of final project cost, undertake the definitive financing of the project and the retirement of all outstanding notes. The notes would be retired from the proceeds of bonds issued by the local government. Bonds so issued would constitute two series or issues, one secured solely by and payable from the annual contributions payable to the local government by the FWPCA and the second, representing the portion of the cost of the project to be provided locally, payable from such sources as ad valorem taxes, revenues, and assessments, as the local government may elect or be authorized to provide.

Again, we would like to thank the members of the Committee for the opportunity to present the views of the Investment Banking Industry on this subject.

NATIONAL AUDUBON SOCIETY,
New York, N.Y., April 24, 1968.

Representative JOHN BLATNIK,
House Subcommittee on Rivers and Harbors,
Rayburn House Office Building, Washington, D.C.

DEAR MR. BLATNIK: I was unable to appear at the Water Pollution Control Hearings April 24 to represent the National Audubon Society in a panel of conservationists because bad weather prevented me from flying Washington as I had planned to do.

Enclosed are some copies of the statement I had hoped to make. We would appreciate it if you would make this statement part of the hearing record.

Yours truly,

ROBERT C. BOARDMAN,
Director, Public Information.

STATEMENT BY ROBERT C. BOARDMAN

I would like to emphasize two points.

One is that, biologically speaking, the most productive parts of the sea are the coves and bays and estuaries and marshes and tidal flats at the water's edge—what we call the estuarine areas. The ocean depths are comparatively barren. By far the richest profusion of marine life grows in the shallows where the fresh water meets the salt.