

legislation, the Congress declared the policy of "providing for the development of practicable low-cost means of producing from sea water, or from other saline waters, water of a quality suitable for agricultural, industrial, municipal and other beneficial consumptive uses on a scale sufficient to determine the feasibility of the development of such production and distribution on a large-scale basis, for the purpose of conserving and increasing the water resources of the Nation."

The 1952 Act, as amended, authorized annual appropriations for the purpose of initiating new projects only through fiscal year 1972, with an additional period of 5 years during which only appropriations to complete such projects could be made. The Federal desalting program will, accordingly, begin to phase out after fiscal year 1972 unless new authority is provided.

In continuing the desalting program, our main objectives will be: (1) to carry forward our basic and applied research and development program, building on the impressive gains in developing desalting systems which have already been made; (2) where desalting technology has been sufficiently developed, to stimulate its application to existing water problems; and (3) to develop large-scale prototype plants to evaluate and demonstrate the viability of desalting as an alternate water source to meet the pressing requirements that will arise in the last quarter of this century for more and better water. The location of such prototype plants will be selected on the basis of water needs and the availability of an entity or entities to participate in the construction and initial operating costs.

This bill would provide new authority for continuing with research and development activities for an additional 5 years, from fiscal years 1973 through 1977, with an additional 3-year period for completing those activities and an additional 1 year for preparing the final report. Periodic reports to the Congress no less frequent than 2 years would be required. Although the format has been changed, in substance this bill contains the same general authority as present law with the following exceptions.

1. The bill would require the Secretary of the Interior to complete and submit a preliminary report on the feasibility of constructing and operating large prototype desalting plants in order to verify that large-scale desalting is practicable by the distillation or reverse osmosis processes.

2. By the end of fiscal year 1976, the Secretary would be required to submit a report to the President and the Congress describing the status of the program authorized by the Act, including recommendations on the future role the Federal Government should play in encouraging the development and application of desalting technology. It is anticipated that information developed during this period would provide the basis for recommendations on the role of desalting in the Western United States Water Plan (Colorado River Basin Project Act of September 30, 1968, 82 Stat. 885).

3. More comprehensive definitions of the terms "pilot plant", "test bed", "module", and "prototype" are provided.

4. The scope of the research and development work on processes for the recovery of commercially valuable byproducts and for the minimization of environmentally harmful effects associated with desalting processes would be expanded.

5. New emphasis would be given to studies, surveys, and analyses that will include the use of desalting technology in comprehensive water resource planning and in other practical applications. Coordination of such studies with studies being conducted under other legislation would be required.

6. The Secretary would be authorized to acquire or dispose of property or rights in compliance with applicable property procurement and disposal laws. No disposal authority is provided in the present legislation except with respect to water and other byproducts of the desalting process. This has impaired the Secretary's flexibility in participating in arrangements with other entities and has created other complications inimical to the purposes of the Act.

7. The Secretary of the Interior would be authorized to continue research to preserve from loss disclosures or discoveries that were not directly related to desalting in the course of authorized research and studies.

8. Cooperation and participation in foreign research, not to exceed 2 percent of the appropriated research and development funds in any fiscal year, would be authorized.

Also enclosed herewith is a sectional analysis of the proposed bill and an environmental impact statement as required by section 102(2)(C) of the National Environmental Policy Act of 1969.

The Office of Management and Budget has advised that the presentation of this proposed legislation would be consistent with the Administration's objectives.

Sincerely yours,

JAMES R. SMITH, *Secretary.*