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PROPOSED NATIONAL HISTORIC PRESERVATION
FUND PROGRAM

GOVERNMENT

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HEARING
BEFORE THE
SUBCOMMITTEE ON
NATIONAL PARKS AND RECREATION
OF THE
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
HOUSE OF REPRESENTATIVES
NINETY-THIRD CONGRESS
SECOND SESSION
ON
H.R. 15357

TO AMEND THE ACT OF OCTOBER 15, 1966, ESTABLISHING
A PROGRAM FOR THE PRESERVATION OF ADDITIONAL
HISTORIC PROPERTIES THROUGHOUT THE NATION, AND
FOR OTHER PURPOSES

HEARING HELD IN WASHINGTON, D.C.
JULY 30, 1974

Serial No. 93-62

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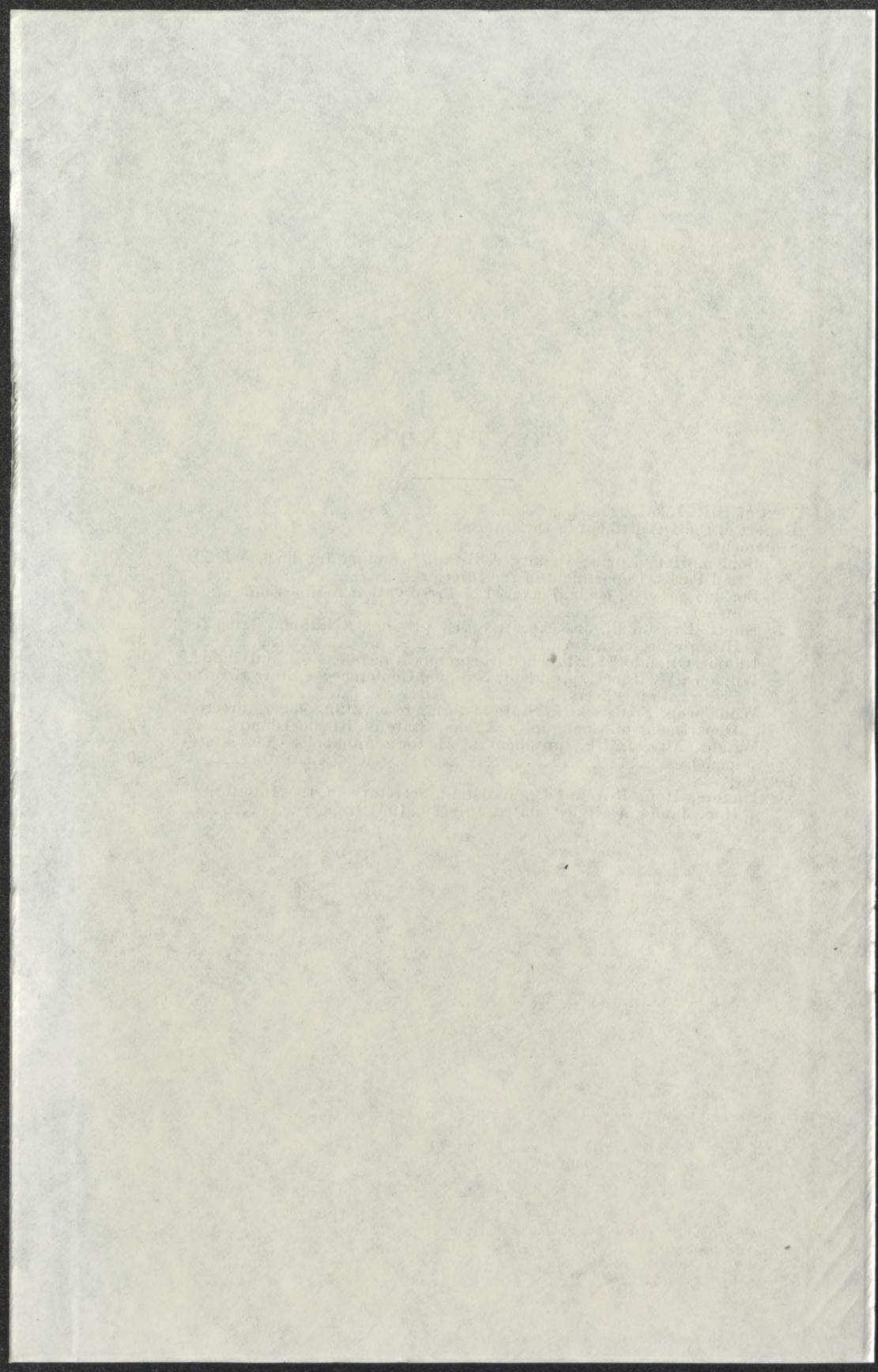
NOTE.—The chairman of the full committee is an ex officio voting member of this subcommittee. The first listed minority member is counterpart to the subcommittee chairman.

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H.R. 15357

TO AMEND THE ACT OF OCTOBER 15, 1966, ESTABLISHING A PROGRAM FOR THE PRESERVATION OF ADDITIONAL HISTORIC PROPERTIES THROUGHOUT THE NATION, AND FOR OTHER PURPOSES

TUESDAY, JULY 30, 1974

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON NATIONAL PARKS AND RECREATION,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 11 a.m., in room 1324, Longworth House Office Building, Hon. Roy A. Taylor (chairman of the subcommittee) presiding.

Mr. TAYLOR. The subcommittee will now take up H.R. 15357, a bill which amends the Historic Preservation Act to establish a fund for historic preservation purposes.

I want to point out that the existing act provides an authorization of \$20 million for matching grants to the States for historic preservation purposes in the current fiscal year. My understanding is that the States are ready to provide funds for matching purposes at a much higher level. I hope our witnesses will give us detailed information on this situation.

The bill would propose that we designate that the funds for the Federal share of this program come from offshore oil leasing receipts, just as the Land and Water Conservation Fund is arranged. The premise is that this money derived from the use of a resource should go toward preservation of historic sites and structures for generations to come.

Without objection, a copy of H.R. 15357 and the departmental report will be placed in the record at this point.

[The material referred to follows:]

[H.R. 15357, 93d Cong., 2d sess.]

A BILL To amend the Act of October 15, 1966, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 15, 1966 (80 Stat. 915), as amended (16 U.S.C. 470) is amended as follows:

(a) Amend section 103(a) by deleting "Provided, however, That the amount granted to any one State shall not exceed 50 per centum of the total cost of the comprehensive statewide historic survey and plan for that State, as determined by the Secretary." and insert in lieu thereof: "Provided, That the Secretary may, in his discretion waive the requirements of paragraph (3) of subsection (a) of this

section for the purposes of making grants for the preparation of statewide historic preservation plans and project plans, but any such grant shall not exceed 70 per centum of the cost of such plans."

(b) Amend section 108 to read as follows:

"Sec. 108. To carry out the provisions of this Act, there is hereby established the historic preservation fund (hereafter referred to as the 'fund') in the Treasury of the United States. During the period commencing July 1, 1974, and ending June 30, 1979, there shall be covered into such fund \$100,000,000 annually from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462, 469), as amended (43 U.S.C. 1338), and/or under the Act of June 4, 1920 (41 Stat. 813), as amended (30 U.S.C. 191), notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Such moneys shall be used only to carry out the purposes of this Act and shall be available for expenditure only when appropriated by the Congress. Any moneys not appropriated shall remain available in the fund until appropriated for said purposes: *Provided*, That appropriations made pursuant to this paragraph may be made without fiscal year limitation."

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 26, 1974.

HON. JAMES A. HALEY,
Chairman, Committee on Interior and Insular Affairs,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Your Committee has requested the views of this Department on H.R. 13639, H.R. 13951, H.R. 13952, H.R. 14999, H.R. 15228, and H.R. 15371, bills to increase the annual income level of the Land and Water Conservation Fund, and H.R. 15357, a bill "To amend the Act of October 15, 1966, establishing a program for the preservation of additional historic properties throughout the Nation, and for other purposes."

We recommend against the enactment of these bills.

All of these bills, except H.R. 15357, would increase existing \$300 million annual income level of the Land and Water Conservation Fund each fiscal year through fiscal year 1989 by utilizing Outer Continental Shelf mineral leasing receipts. H.R. 15371 would expand the Fund to \$500 million; four of the bills (H.R. 13639, H.R. 13951, H.R. 13952, H.R. 15228) would increase it to \$900 million; and H.R. 14999 would raise the Fund to \$1 billion.

H.R. 15357 would amend section 108 of the Act of October 15, 1966 (80 Stat. 915) to authorize the Secretary of the Interior to waive the 50 percent matching requirement with respect to Statewide historic preservation plans and project plans, but it requires that any such grant would not exceed 70 percent of the cost of such plans. In addition the bill would amend section 108 of the 1966 Act by creating a separate fund in the Treasury of the United States, termed the "historic preservation fund," from which appropriations may be made for grant purposes. The fund would comprise \$100 million annually derived from revenues due and payable to the United States under the Outer Continental Shelf Lands Act and/or the Act of June 4, 1920, the Mineral Leasing Act.

The Land and Water Conservation Fund Act of 1965 (P.L. 88-578; 78 Stat. 897) established a fund in the United States Treasury to provide a program for (1) the acquisition of lands for federally administered recreation areas; and (2) matching grants to State and local governments for planning, acquisition and development of recreation lands and facilities. The Fund is administered by the Bureau of Outdoor Recreation of this Department. Fund revenues are derived from the sale of Federal surplus real property, the Federal motorboat fuel's tax, and Outer Continental Shelf mineral receipts.

The Act of October 15, 1966 (80 Stat. 915), as amended, authorizes matching grants to the States for historic preservation plans and surveys and for projects involving the acquisition and rehabilitation of significant historic properties. As amended, the Act authorizes the appropriation of not more than \$15.6 million in fiscal year 1974, \$20 million in fiscal year 1975, and \$24.4 million in fiscal year 1976, after which date the authority expires. The Act requires that Federal grants not exceed 50 percent of the cost of plans and surveys and not to exceed 50 percent of the cost of historic preservation projects.

The claims against the Land and Water Conservation Fund and for historic preservation have increased since the enactment of both programs. However, the crucial domestic problem facing us today is inflation, and unless we begin now to

reduce the rate of inflation, our economy and the high standard of living it has brought us will be imperiled. Providing more Federal dollars at this time for recreation and historic preservation programs would jeopardize the Administration's efforts to limit Federal spending and to control inflation. Meeting our economic goal of growth without an eroding inflation rate cannot wait, but a delay in increasing funds under these programs can be tolerated.

Before any increases of the magnitude suggested in the proposed bills could be justified, considerable programmatic analysis would be required to determine the actual demand for, and level of, the Federal participation in recreation activities. While the Nationwide Outdoor Recreation Plan provided a range of recreation opportunities for consideration, it did not reach conclusions which would provide specific support for the large increases contemplated by these bills. There is yet to be determined the recreation role to be filled by public-Federal, State and local or private efforts. Also there is need to analyze the potential effects of any such increased Federal investment on private-sector recreation. We are continuing to explore these and other questions to assure that any future Federal investments will be supplementary to local public and private recreation rather than to displace them.

We would also note that there is \$262 million currently authorized for the Land and Water Conservation Fund but not appropriated to date. This amount excludes the \$300 million recommended in the President's Budget for fiscal year 1975. If more funds should be required for this program and if fiscal policy constraints can be diminished in the future, the current authorization would be sufficient to meet any potential needs. Accordingly, we recommend against increasing the current authorizations.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

Mr. TAYLOR. Our first witness this morning is Secretary Curtis Bohlen, Deputy Assistant Secretary for Fish, Wildlife, and Parks, accompanied by Dr. Ernest Connally, Associate Director for Professional Services, National Park Service.

We welcome you back, Mr. Secretary, and we welcome Dr. Connally.

**STATEMENT OF CURTIS BOHLEN, DEPUTY ASSISTANT SECRETARY
FOR FISH, WILDLIFE, AND PARKS, ACCOMPANIED BY DR.
ERNEST CONNALLY, ASSOCIATE DIRECTOR FOR PROFESSIONAL
SERVICES, NATIONAL PARK SERVICE**

Mr. BOHLEN. Mr. Chairman, I appreciate the opportunity to appear before you once again and to present the views of the Department on H.R. 15357.

Mr. TAYLOR. Have we received the departmental report yet?

Mr. BOHLEN. I believe you have.

Mr. PINNIX. Reference to this bill was included in the comprehensive report that also covered the land and water fund increase bills.

Mr. BOHLEN. Our report covered both bills.

Mr. TAYLOR. Please proceed.

Mr. BOHLEN. H.R. 15357 would create a historic preservation fund in the U.S. Treasury for grant purposes. The fund would comprise \$100 million annually derived from revenue due and payable to the United States under the Outer Continental Shelf Lands Act and/or the Mineral Leasing Act.

This legislation would further amend the 1966 Historic Preservation Act to authorize the Secretary of the Interior to waive the 50 percent

matching requirement with respect to the preparation of statewide historic preservation plans and surveys and project plans, provided that any such grant not exceed 70 percent of the cost of such plan.

Mr. Chairman, increases in the level of funding for historic preservation plans and projects are necessary to preserve our historical heritage. However, it is the administration's assessment, as presented in the President's speech on the economy last week, that in order to cope effectively with existing inflationary pressures the fiscal year 1975 budget should be reduced below the level proposed in February 1974, and the fiscal year 1976 budget should be balanced.

It is the administration's position that the financial assistance already authorized for this program should be utilized fully but that additional funding should be delayed. Thus, we must oppose the enactment of this bill at this time.

The Historic Preservation Act was last amended on July 1, 1973, at which time authorization levels were increased to not more than \$15.6 million in fiscal year 1974, \$20 million in fiscal year 1975, and \$24.4 million in 1976. Since the 1966 act was passed, a total of \$32,339,000 has been appropriated for grants to States and the National Trust for State, local, and private projects and plans. Some 846 separate historic preservation projects have been initiated.

Active projects supported by this program for the preservation of historic districts, sites, and structures are now continuing in all 50 States and the District of Columbia, American Samoa, and Guam.

In his fiscal 1975 budget, the President requested \$20 million for historic preservation grants.

I believe that is the first time we have requested the fully authorized amount.

Mr. Chairman, we are most concerned with the preservation of our Nation's historical heritage, and we recognize that the States have the present capability to provide \$160 million a year to match Federal funding for this purpose. We must also recognize, however, that the crucial domestic problem facing us today is inflation, and unless we begin now to reduce the rate of inflation, our economy and the high standard of living it has brought us will be imperiled.

This concludes my prepared remarks. I will be happy to respond to any questions you may have.

Mr. TAYLOR. You did not give us a very good guideline for action. If we are going to sit still and do nothing, I guess you have told us how.

We are facing the Bicentennial. Is this not a good time to put emphasis on preservation?

Mr. BOHLEN. There is no question, Mr. Chairman, that there is an extraordinary need for funds to meet our preservation objectives all across the country. I think that Dr. Connally can document for you the extent of this need and the ability of the States to match this.

Mr. TAYLOR. If we follow your advice, it does not do us much good to know the extent of the need, because you folks told us to do nothing.

Mr. BOHLEN. We are recommending no action at this time.

Mr. TAYLOR. Do you have a suggestion as to what would be a proper time?

Mr. BOHLEN. Well, I am not an economist, Mr. Chairman, so I cannot tell you when things are going to ease.

Mr. TAYLOR. Of course, the authorization is merely the first step. Someone said yesterday we need to get the saddle on the horse, and perhaps we will than get the rider on.

Mr. BOHLEN. If the committee in its wisdom wanted to increase the authorization, they could at least delay the appropriation for a year. Maybe that would not fan the fires of inflation.

Mr. TAYLOR. Dr. Connally, do you have any additional statements?

Mr. CONNALLY. No, sir.

Mr. TAYLOR. Let me direct a question to you.

If this was the proper time to take action in regard to increasing this fund so as to do a better job in aiding the States in historic preservation, what course of action would you recommend?

Mr. CONNALLY. That is a very open question, Mr. Chairman. At the right time, the objective of the program would be to match the eligible requests of the States and the National Trust for Historic Preservation to carry out the purposes of the program as embodied in the National Historic Preservation Act.

Mr. TAYLOR. What level of funding will be needed, do you think, at the proper time?

Mr. CONNALLY. The requests that we have received for fiscal year 1975, Mr. Chairman, amount to \$161 million. Those are certified warrants that come to us expressing the need and ability of the States and the National Trust to match that amount of money. That would provide for 1,923 projects.

Now, the act requires that the program satisfy the need and the apportionments to be made on the basis of need. So I would like to inform the Chair that we conduct this program in very close cooperation with the States through the National Conference of State Historic Preservation Officers. Each Governor has appointed an officer to conduct this program in his State, to make nominations of historic places for the National Register, setting up historic survey programs in the States, setting the States' priorities and administering the grants. We meet periodically with the State historic preservation officers and have discussed with them the long-term implications of this program. As you know, the grants program got off to a very slow start; however, it is much better under the current authorization than it was earlier.

We are dealing with the kind of resource, Mr. Chairman, that by its nature tends to deteriorate from the day it is finished. Natural resources are to some extent biologically self-regenerating. But that is not true with the built environment. It is not true of buildings. They start to go to pieces as soon as they are finished, sometimes before. And of course, the longer we wait to attend to them the less original fabric there is left, the more work there is to be done, and with rising construction costs, of course, the more the work costs. So the problem tends to compound itself, as we have heard in other matters discussed here.

We have discussed with the State historic preservation officers our own experience and have made an estimate of the need; that is, what it would take if this country decided to overcome the long-term accumulated neglect of our historic built environment, the sites and buildings that are associated with our history and give us a sense of identity.

We know the size of the National Register.

Our grants program is intended to assist properties that are on the official national list. We know the rate at which the National Register is growing. We know the rate at which the rate of growth increases, as well, and this has proven out over several years. We also know over the long term what the average asking is for acquisition and development projects.

So it is a very simple matter, Mr. Chairman, to lay it out on a graph, and for the next 5 years we come up with the figure of need, for the Federal part of the program, of \$2 billion. Now, that would assist about 20,000 properties only. That is to say, less than half, only about 40 percent of those that would be registered, and I think that we all know that sooner or later every historic structure is going to have to have help of some kind.

We also know that the National Register is going to be increased further, based on the preliminary inventories made in the States, and that its ultimate size will probably be near 100,000 registrations. Five years hence it will be about 55,000. I feel quite secure in the projections for the next 5 years. And we know and the State historic preservation officers know, and assure us that the need would really not have been satisfied in 5 years. We would have just made a good start on it.

Mr. TAYLOR. In your opinion, what is the annual need for the next 5 years?

Mr. CONNALLY. \$400 million a year, Mr. Chairman.

Mr. TAYLOR. Does that include State money and Federal money?

Mr. CONNALLY. That would be the Federal contribution.

Mr. TAYLOR. \$400 million?

Mr. CONNALLY. We estimate, with the States, that over 10 years it will take \$6 billion to overcome the bulk of this accumulated need, and I would remind the Chair that that would be assisting less than half the registered properties. So it really would not be taking care of everything. It would not be that kind of idealistic scheme. The States do not see practically how, since there are so many large and complex projects, many of them of national significance, that the States could pay a full half of that \$6 billion. So the estimate is that over 10 years a big reduction of the need, a significant one, could be achieved at a \$6 billion expenditure—\$2 billion State, \$4 billion Federal.

Mr. TAYLOR. As it now stands, the States are ready to match more funds than we are able to provide?

Mr. CONNALLY. That is true.

Mr. TAYLOR. The great need is not to change the matching formula until we are in a position to provide more Federal money.

Mr. CONNALLY. That is the problem. One of the purposes of the act when it was passed in 1966 has not been realized yet. That is in the generation of more support in the private sector.

Mr. TAYLOR. The gentleman from Texas?

Mr. KAZEN. I do not know how we are going to finance this program adequately. The longer we delay, of course, the more it is going to cost. Until we in the Congress are in a position to appropriate the full amount of money authorized, we are never going to get off of dead center. The situation is that we have authorized a lot more money than we have been able to appropriate, and some of the money that we have appropriated in the past has been impounded or released later.

All this contributes to the escalating cost in the future, and until we set our priorities straight, I do not know what we can do. But I think

at the present time, Mr. Chairman, we should definitely appropriate the amount of money that States have asked to be matched.

Mr. TAYLOR. If the gentleman would yield, of course that would require an increase in the authorization. It would require this legislation or similar legislation.

Mr. KAZEN. Very definitely, but as we have heard the witness say in answer to your question, the States right now are willing to put up more money than what we have got to match. I think that that should be the starting point. The starting point should, of course, be increasing of the authorization.

I have no question of these gentlemen. I think that they are doing the best they can with the policy which the administration has set for them.

Mr. TAYLOR. If the gentleman would yield—In line with the gentleman's point, how much money, in your opinion, are the States now willing to match on an annual basis?

Mr. CONNALLY. On an annual basis, Mr. Chairman?

Mr. TAYLOR. Yes.

Mr. CONNALLY. \$150 million. This is the information that the State conference has given us.

Mr. TAYLOR. If we could give them \$150 million a year, you are confident the States would match that?

Mr. CONNALLY. Yes, sir.

Mr. TAYLOR. Effectively, to start preservation?

Mr. CONNALLY. Yes, indeed. There is no question about that, Mr. Chairman.

Our estimate is a little different. It is \$200 million. The States have said \$150 million. There is a little difference there. It depends upon the matching formula.

Mr. TAYLOR. The gentleman from California.

Mr. CLAUSEN. Do I understand your testimony?

You are of the opinion, if we were to establish a funding level through this authorizing vehicle that the States would be able to match that money now?

Mr. CONNALLY. Yes, sir.

Mr. CLAUSEN. Does that suggest, then, that they are substantially better off in the financial sense than we at the Federal level?

I have been hearing this with increasing frequency throughout the country.

Is it true?

Mr. CONNALLY. I do not feel qualified, Mr. Clausen, to speak about the overall financial conditions of the States.

Mr. CLAUSEN. Is this not an indication that they are?

Mr. CONNALLY. It is an indication to me, Mr. Clausen, that they are interested in this program. It is not all State money that is put up. Of the money that is represented in these requests for the last 2 years, \$103 million requested for fiscal year 1974, \$161 million requested for fiscal year 1975, of that sum, only about half is official State money, either appropriated or from bond issues. About 10 percent is from local official sources, counties and municipalities, and 40 percent is private money.

The potential of the private sector has never been fully realized. This is one reason that I feel sure that the States have this ability.

Mr. KAZEN. Would the gentleman yield?

Mr. CLAUSEN. Yes.

Mr. KAZEN. How was the money generated from the private sector? In what form is it? Give us an example, if you would?

Mr. CONNALLY. It is usually in cash. It can be in kind. However, we have not been allowing many contributions in kind; although legally they are permitted in the act, simply because our money has been so limited. So when we consider that provision of the law that allows the States to count eligible donations in land, too, the potential is much greater than even these figures suggest.

But I believe you are speaking about private money, Mr. Kazen?

Mr. KAZEN. Yes.

Mr. CONNALLY. A local historic preservation group owns a house, an old mansion in town, that key landmark that they are going to use for the local museum or something like that. They set out to raise money from individuals, the local historical society, women's organizations, the chamber of commerce and so on. They usually come to their Congressman and say, tell us how to get some help how to do this.

Then we get a congressional referral and we recommend they see their State historic preservation officer. He runs the program in that State. They work with the State historic preservation officer. He examines the proposal, looks at the State's priorities, obtains assurances that the money is available, and puts the project in the program, hoping he can get matching Federal funding for it. That is generally the way it goes.

Then there are assurances that the State has to require for public benefit regarding that property, and the State has to give the Secretary that assurance. That is part of the overall planning process.

It is an interesting thing, Mr. Kazen, that half a dozen letters come across my desk every day that are referred, usually by Members of Congress, sometimes from the White House, to us for staff preparation of an answer. Some are almost heartbreaking. They say, we are making this great effort. We have their old mill and we want to restore it, and so on. Tell us where to get help. We have to send back the same old answer—yes, the property is already on the national register, and we tell them about the grants program always with the caveat there is not much money.

Mr. KAZEN. So when you figure on a particular place, say an old museum owned by a local society, the equivalent in dollars is what is counted in this figure?

Mr. CONNALLY. There have to be appraisals according to certain Federal regulations for donated property.

Mr. KAZEN. Say a property is appraised at \$20,000. They give it to the State. Then that value of \$20,000 is added to the figure?

Mr. CONNALLY. The way we do that now, Mr. Kazen, would be to take the \$20,000 if that is the fair appraised value according to the Federal regulations of the property, as an eligible match on the part of the State for the development of that property. But we would restrict the grant to that property.

There are a lot of desperate local cases. Take the town of Roma, which I believe might be in your district. We have heard from Roma. Here is a little town, one of those that was founded at the same time as Laredo when the Rio Grande Valley on both sides of the river was the Spanish province of Nuevo Santander.

They are trying desperately to preserve and do something with the particular character of that town. So we get letters from them about assistance, and it is very sad for us to have to say, in theory yes, in practice no.

Mr. KAZEN. Thank you.

Mr. TAYLOR. Mr. Won Pat?

Mr. WON PAT. I would like to ask a question. I know that you have active projects in all the 50 States, including Guam.

How are these projects supported?

Mr. CONNALLY. I am sorry. You say how are they supported?

Mr. WON PAT. Yes; by the fund.

Mr. CONNALLY. They are either supported directly by the government of Guam or by some group on the island, such as Mr. Kazen was mentioning. And then we supply a certain amount of money to assist.

Mr. WON PAT. Grants?

Mr. CONNALLY. Yes, sir, grants.

Mr. WON PAT. Are they matching?

Mr. CONNALLY. They are all matching. The present law limits the Federal grant to 50 percent of the cost of the project, and the mention that was made in the statement, refers to the planning and survey project, I believe, that is going on in Guam at this time.

Mr. WON PAT. I have received the historic preservation register, and looking it over I found there was nothing in Guam.

Mr. CONNALLY. In the National Register?

Mr. WON PAT. Yes.

Mr. CONNALLY. What we are trying to help to do is to identify those places that will be registered.

Mr. WON PAT. However, you do not feel that the legislation to provide further funds should be passed at this time on account of inflation?

Mr. CONNALLY. That is the position of the administration, Mr. Won Pat.

Mr. WON PAT. Of course, the President wants to cut \$5 billion and eliminate jobs.

Is your agency affected by the job elimination?

Mr. CONNALLY. We have not got the word yet. I sincerely hope that it will not, because I believe that you, and I am sure the chairman and other members of this committee, who know the problems that the National Park Service has, would be as distressed as we if we had to start reducing our personnel out in the field in the National Parks.

Mr. WON PAT. But you agree with the merits of this?

Mr. CONNALLY. Personally I do, Mr. Won Pat, with the qualifications that I mentioned a moment ago. That is to say, the advice that we have from the historic preservation officers, who have expressed their need to us is that the immediate annual need is \$150 million.

Mr. BOHLEN. As a Department we subscribe to the merits of the legislation. It is really a question of timing. The Secretary on many occasions has expressed his desire to see this program expanded. He recognizes the nationwide needs that we have.

Mr. WON PAT. Because of the pressing need for this legislation, as has been brought out by various witnesses, do you endorse the Congress enacting the legislation?

It is simply an authorization.

Mr. BOHLEN. Personally, I have no objection. Speaking for the administration, we would hope that there would be no additional appropriation this year.

Mr. WON PAT. That will be decided by the committee.

Thank you, Mr. Chairman.

Mr. TAYLOR. The gentleman from California.

Mr. CLAUSEN. I think some of the other individuals have asked questions that I was going to ask. But I think that someone has to make this kind of a statement. I am sure you, Secretary Bohlen, and you, Dr. Connally, are not at all comfortable with the fact that you have to come up here and recognize what is a known fact of life—that is, everybody is for everything as long as we can get somebody else to pay for it.

I have been on this committee for a few years and I know that there is this tendency to say, well, this is just an authorization bill. But the Congress right now is moving in the direction of establishing a budget and a control ceiling where they are not going to be able to pass the buck and play politics with this thing, as they have in the past. They are going to have to be equally accountable as the executive branch is until there is a set of priorities established.

We can sit down here, get off the hook and authorize this funding level, and you know darned well it is never going to be funded through the appropriations process. And I think what we have to do is be honest to the American people and keep our authorization level consistent with what is a realistic figure for appropriations that will subsequently come forward.

There is no reason why you have to be put in an uncomfortable position. Sure, you are in support of this. But where are you going to get the money from?

What is our set of priorities?

This is what the Congress in its entirety is going to have to face up to. There can not be any more game playing for too long. We must find out whether this will stand the test as far as other priorities are concerned.

Mr. KAZEN. Will the gentleman yield?

Mr. CLAUSEN. Yes.

Mr. KAZEN. Just what period would we have in which to finance authorizations? The mere fact that we are going to have a balanced budget does not mean that everything is going to be done within that biennium or within that fiscal year.

Mr. CLAUSEN. You obviously will have an objective program. The day of reckoning is here, because the single issue—you are going to talk about a lot of other issues—but the single issue in this country today is inflation, and I would like to hear more of how we can go out into the private sector and work in cooperation with the States, if the Federal Government cannot resolve all these problems on continuing deficit spending because it leads directly to inflation. It is the inflationary psychology that evolves, because of this kind of action, that has to be reversed, because the American people are going to be demanding it.

Mr. BOHLEN. We have always viewed our contribution in this program as seed money to encourage the raising of both State and private moneys, and I think that Dr. Connally can speak to this better than I can. But I feel certain that once we get the program going

at a faster pace and get statewide surveys completed and some of our advanced planning done, that there will be even a greater interest on the part of private organizations and a greater incentive for them to put more money in the program. As Dr. Connally says, 40 percent of the State share right now is coming from private sources, and I feel that this could be augmented under proper leadership.

Mr. CLAUSEN. I would like to give you and those present in this room a little bit broader understanding of what I have reference to. I have sat on the Water Resources Subcommittee. In water we are dealing with water pollution, and we have written all the legislation since 1963.

About a year and a half, 2 years ago, we passed a \$24 billion authorization level for water pollution, most of which is going to have to be funded and subsequently allocated.

Everyone says we have to have mass transit. Just the other day I offered an amendment for a \$12 billion mass transit program, and I was voted down because they said it was not enough, and it was subsequently passed out as a \$20 billion mass transit. This is all going to have to be paid for. So this is the kind of competition we are going to be faced with.

Mr. TAYLOR. Would the gentleman yield?

Mr. CLAUSEN. Yes, sir.

Mr. TAYLOR. I too am concerned with regard to the status of the budget. All polls indicate that I am a conservative on spending, just as the gentleman from California. However, the receipts from our nonrenewable oil resources, as we deplete those resources—\$6-plus billion this year, \$7 billion next year—they estimate it will be \$8 billion over a period of several years; \$8 billion per year over a period of several years, an unprecedented amount.

It appeared to me that it makes good sense to plow back some of that depletion money from land and water resources into other lasting resources, perhaps of other types—art, historic areas, historic preservation. That is why I join in introducing these bills.

I think the policy decision could be made there. The money is going to be spent if we get that oil. There is no question, it will be spent. Rather than living it up and spending it on daily operations, it appears to me that we ought to reinvest it in a lasting resource.

Mr. CLAUSEN. As the gentleman knows, I have consistently supported that concept and have introduced some legislation toward that goal because I agree fully that here we have an opportunity to anticipate revenues from a resource that should be planted in for the preservation of other resources in the country.

But it also has been considered, I might add, that may very well be, we have to take a look at some of these offshore oil reserves and receipts therefrom to finance the mass transit in the country, as an example, and we are looking at this. I have suggested as an example the incorporation of something like this into a third trust fund to handle mass transit as a means to an end.

This is where some people will have to bite the bullet.

Mr. TAYLOR. This is money coming into Interior for Interior purposes. To me it makes more sense to put some of the money here than to put it into mass transit.

Mr. KAZEN. If for no other reason, Mr. Chairman, is the fact that this will be a permanent investment. In mass transit, once you have

spent it it is gone; you do not have anything left. If the income is reduced, your other program is going to be reduced, whereas the land will never reduce in value, and it is there for the enjoyment of all the people.

Mr. CLAUSEN. I find no fault with anything you have said, and as far as I am concerned I will support a bill irrespective of the position of the administration on the funding level. It would be a policy question for us to decide, and I agree with what you have said.

But I think it is necessary for some of this to be stated so that everybody can put this thing in perspective, and it is just not the administration people that have to come up here and carry the burden of trying to balance this budget. It is our responsibility and it is going to become increasingly so, instead of this buckpassing.

Mr. WON PAT. Will the gentleman yield?

Mr. CLAUSEN. Yes.

Mr. WON PAT. I want to say that I do not disagree with you with respect to fiscal responsibility. I believe that as Members of Congress it is our responsibility to set up priorities with respect to national spending. We recognize this.

Mr. CLAUSEN. We are going to get a chance to set priorities within the framework of a balanced budget. You will not have to do that on the floor, we will.

Mr. TAYLOR. Are there any other questions of this witness?

Mr. KAZEN. Mr. Chairman?

Mr. TAYLOR. The gentleman from Texas.

Mr. KAZEN. Before we leave this matter up in the air, as I understand it \$20 million has been requested of the budget for this year.

Mr. CONNALLY. That is correct, Mr. Kazen. And that is our authorization.

Mr. TAYLOR. If the gentleman will yield, the full authorized amount is in the appropriation process for this year. But you do not always use it. It has not always been that way.

Mr. CONNALLY. We were challenged by this committee to come up with a budget request equal to authorization. It is there this year.

Mr. BOHLEN. The first time.

Mr. KAZEN. As I see it, the \$20 million is in the budget, and they are asking for it. At the same time they say the States have indicated a present capacity to match funds at a \$150 million yearly level.

So, if this bill is not passed, a year from now the States would come up with a much larger figure that they are going to have to match. At that time, it is going to be a lot harder for the Federal Government to come up with any more money.

Is that the situation?

Mr. TAYLOR. If the gentleman will yield, the figures that I have here on this sheet that puts a State-by-State breakdown shows the matching requests by the States for fiscal year 1975 totaling \$117,538,000.

Mr. CONNALLY. That was an earlier estimate. The warrants come in at the beginning of the fiscal year. They are due in our office on July 1. Sometimes they are a little bit late. Those have been tabulated now. The actual certified requests for 1975 are \$161 million.

Mr. CLAUSEN. Would the gentleman yield?

Mr. KAZEN. Certainly.

Mr. CLAUSEN. The thought has occurred to me here, or almost simultaneously considered, both the Land and Water Conservation

Fund and then this legislation to amend the Historic Preservation Act. From an administrative point of view, I am just wondering—the thought just struck me—would it be possible for us to be combining this and administering the fund, the Land and Water Conservation Fund, or should it be separate, and if so, why?

Mr. BOHLEN. We have considered this at some length, and it is our feeling that they should either be separate funds or if both purposes are lumped together under what is now the Land and Water Conservation Fund, that the historic preservation grant should be a separate section for two reasons. One, we do not believe the States, in receiving these moneys, should be forced to choose between the restoration of a historic building or the creation of a public park. Second, when we consider our departmental budget priorities each year we would rather not have to trade off historic preservation against land acquisition for parks.

Mr. CLAUSEN. Your view from an administrative point of view is that they should be separate.

Mr. BOHLEN. Right. Historically, what has happened every year, if you look at the needs and the budget request and the final amount that has been approved by OMB and appropriated by the Congress, is that historic preservation has tended to get the short end of the stick, I think that if we are really serious about meeting our needs, we have got to make this a specific fund for that specific purpose.

Mr. CLAUSEN. Mr. Chairman, I have a unique request. I see our own State of California director for the State department of parks and recreation, Mr. William Penn Mott, who is in the audience.

You have heard this question, Bill.

Mr. Taylor. I might state to the gentleman from California, Mr. Mott testified very ably earlier.

Mr. CLAUSEN. I would expect that from Mr. Mott.

I was just wondering, Bill, from your point of view—I would like to have this on the record—I asked the question whether or not we should combine this fund, namely the Historic Preservation Fund, with the Land and Water Conservation Fund, and for administrative purposes, whether it would be better to separate them or to combine them, to keep them separate or to combine them from a State point of view.

Would you respond how that would work out and what you think would be the preference?

Mr. MOTT. I am the historic preservation officer for the State of California, as well as the liaison officer for land and water conservation, and it is all handled by the department of parks and recreation, of which I am the director, so it is all coordinated in California.

I do feel that these are two separate funding responsibilities, however, because they are quite distinct and different and the criteria that one would use in the allocation of Land and Water Conservation Fund are not the kind of criteria that you can use on a history preservation and restoration program, so that I think it is desirable to keep them separate as a funding program, and I think it is up to each State to decide how best they want to administer those funds from the standpoint of the State's organization. In California we control the whole funding program through the park and recreation department in a rather efficient and effective manner, I think. But that

may not be a proper approach for other States, and I think it is desirable to let the States make that decision.

But I feel that the funding should be separate funding and the criteria should be different, and the allocation should be different because of the difference in the kinds of things that are accomplished by these two funding sources.

On the other hand, I would like to strongly state that these should remain as categorical funding and not put into revenue-sharing programs.

Mr. CLAUSEN. Thank you.

Mr. TAYLOR. If there are no other questions—yes, Mr. Secretary.

Mr. BOHLEN. One point, Mr. Chairman, that I would like to cover, if I might just take a minute. I think that the enormous needs across the country for historic preservation are manifested in two ways. One is the strong desire of the States to get more matching money.

The second is the increasing number of bills that you are getting before your committee to put historic sites and buildings into the National Park System. In many cases these are sites that in the estimation of our experts in the Park Service may not be of truly national significance, but everybody is so anxious to preserve them for posterity that they sometimes get added to the system because there seems to be no other way of protecting them.

I have had the privilege on several occasions of testifying before you on some of these bills. We have often taken the position that these sites or structures really do not belong in the National Park System and that there is an alternative, which would be to provide the States the necessary money to do the restoration themselves and keep the sites within the State system, or to encourage private owners to restore them with Federal and State assistance and keep them in private ownership.

You have quite justifiably answered my suggestions each time by asking how can we take that particular alternative when there is not enough money in the Federal fund to cover it.

I would like to point out that we do see this fund, if it were amplified in the future, as offering a viable alternative for some of these decisions that we have been faced with lately. Many of these buildings could be preserved and kept in private ownership or State ownership and serve the purposes of the Nation without having to be added to the National Park System, where we would be forever faced with the costs of operation and maintenance.

Thank you.

Mr. TAYLOR. Mr. Secretary, much of what you are saying makes a pretty good case for passage of the bill.

Mr. CLAUSEN. If the chairman will yield, I am going to state that I would be of the opinion that he and his department, as we have found in other cases, no doubt are personally in support of the question. That is my own evaluation of it. But because of the physical restraints and because of the fact that there is a need to give consideration to every item in the budget, I think that they are constrained to have to present this testimony to the committee.

I have said it, now you do not have to say it.

Mr. TAYLOR. Some of us heard Secretary Rogers Morton sit right there and express enthusiastic support for a program of this type,

expressing his own thinking. Maybe the economic situation has changed since then.

Mr. BOHLEN. He, personally, strongly supports this particular bill. I totally agree, Mr. Clausen, with your earlier remark on the budget process and our having to choose among the various priorities.

Unfortunately, in my area of jurisdiction, when we go through the annual budget process, we are forced to choose between historic preservation or the creation of parks or the protection of our fish and wildlife resources, all worthy causes.

Mr. CLAUSEN. I will just make this final comment, that I do believe that this program will stand the test of priorities once we get down to it. I personally would move in that direction, as far as the board is concerned, that we narrow down our priorities and establish our priorities.

Mr. TAYLOR. Thank you very much for your testimony.

Mr. Robert Williams, president, State Historic Preservation Officers for Historic Preservation.

STATEMENT OF W. ROBERT WILLIAMS, PRESIDENT, NATIONAL CONFERENCE OF STATE HISTORIC PRESERVATION OFFICERS, ACCOMPANIED BY WILLIAM PENN MOTT, DIRECTOR, CALIFORNIA STATE DEPARTMENT OF PARKS AND RECREATION

Mr. WILLIAMS. With your permission, I have asked Mr. Mott to accompany me instead of Truett Latimer, who could not be here this morning. And Mr. Mott has submitted a statement which he will summarize.

First, Mr. Chairman and members of the committee, let me say thank you to this committee for the support that you have given this program in the past. I am president of the National Conference of State Historic Preservation Officers. I am speaking for the people who actually administer the historic preservation programs in the 50 States and 5 territories.

During the past several weeks we have individually and collectively been considering H.R. 15357 on which you are conducting hearings today. Since June 21, when H.R. 15357 was introduced, the State historic preservation officers of each of the 50 States have been talked with by either myself or one of the members of the executive committee. My testimony reflects the position of the States with regard to H.R. 15357. Our present program is presently functioning well but at a funding level far below the documented needs and matching capability of the States. The Federal-State grants-in-aid program under Public Law 89-665 was funded at a \$11,505,000 level for fiscal year 1974 while the States and the national trust had a matching capability in excess of \$103 million. This year, fiscal year 1975, the matching capability of the States is \$161 million.

For the record, may my testimony be corrected to match the figures that were given by the Department of Interior.

This matching capability speaks well for the historic preservation programs being carried on at the State level. These funds are a mix of State, county, city, and private nonprofit organizations who recognize the need to preserve for the present and the future some representative samples of the more significant architectural, historical, and archeo-

logical sites still in existence. This patrimony of our Nation is rapidly disappearing, and it is a nonrenewable, nonregenerative resource that is vitally important in maintaining an acceptable quality of life in our Nation.

I might add in connection with the comments made previously this morning that the States are spending a great deal of money for historic preservation in excess of the amount reflected in the \$161 million capability for matching.

In my own State of Florida in this past year, the State itself, through a bond issue, has spent in excess of \$8 million for historic preservation that does not appear on the warrant I submitted to the Department of Interior National Park Service for matching funds, the reason being that the opportunity was immediate, the need was great, the funds were available and the State exercised their responsibility at that point.

I think this happens all over the country. I know it happens in the private sector and from counties and cities.

In the past, lack of funds at all levels of government and in the private sector has resulted in an enormous historic preservation deficit. The States are presently aware of the size of our Nation's historic preservation deficit and we mean business when we say we are ready and able to do our part in liquidating that deficit in the shortest possible time. Toward achieving this end, we urge your favorable consideration of H.R. 15357, and its early enactment by the Congress. The enactment of this vitally important measure would make it possible for the grants-in-aid program for historic preservation contemplated under Public Law 89-665 to function as I am sure the Congress intended. The administration of the program has already been developed, tested, and found effective by the joint efforts of the National Park Service and the States. What is needed now is the funding level provided in H.R. 15357 to match the known commitment and capability of the several States and territories.

I might say I cannot improve on the testimony that has just been given by Mr. Mott in connection with all the States' attitudes toward this program being separate and that it be administered as the States desire at the State level. We have a good many States that share the position that is shared by California in the administration of funds. We have a good many other States where it simply would not work.

But it should be, in our opinion, the province of the States to decide that the funding should definitely be separate.

In closing, I think it is significant and commendable that the source of funds provided in H.R. 15357 is from income developed by the necessity for our Nation to increase its use of one of our natural nonrenewable resources. The States feel that it is appropriate and right that some of these funds be used to preserve some of our Nation's other nonrenewable natural and cultural resources. We urge your favorable consideration of H.R. 15357.

Thank you.

Mr. TAYLOR. Let me ask this. What success have you had in getting private funds or foundation donations for historic preservation?

Mr. WILLIAMS. Collectively, it has been testified previously that the success of the Nation has been at the rate of 40 percent, of those funds that were used for matching. It is my observation in my own

State and from other States that I have talked with and traveled to as president of this group, that the rate at which private funds are being put into historic preservation is climbing.

This law, as small as it started in terms of funding, this act, Public Law 865, has been the catalyst and, in my opinion, it has been the reason why a stimulation of interest in and concern for and understanding of the necessity of the preservation of some of our cultural resources have taken place. The escalation of the funds that will match the Federal dollars has grown because the beginnings made under this program, the beginnings for the funding was very small, as you well know, and the beginnings of the capabilities of the States to match started out small, too.

But as the interest and the concern and the understanding has increased, the stimulus stimulated by this program, people all over this country are coming to understand that in addition to the need for providing the resources to obtain clean air and clean water and the other desirable features of our natural environment, that acquisition of land and of areas of wilderness and other things, in addition to that, for people to have an environment that has the quality that makes it viable for their own enjoyment and for the children of today and tomorrow, it must also contain some of the physical reminders of our past; it must not be devoid of those elements of our past which remind us of the values and the happenings that occurred in our country.

If we create only a clean test tube, only an environment which is glass and steel and clean air and clean water, and do not provide the necessary means for people to have a sense of being and a sense of place and identity, we get ourselves into all kinds of problems.

In my own State last year I had an experience which reinforces this conclusion and which illustrates in answer to the question you posed. In the second largest county in Florida I had a call from the Mental Health Association that asked me to participate in a joint program called "Pioneer Days" in Broward County, Fla. with the Broward County Historical Society.

I agreed, of course, but it seemed strange to me at the time that there would be a mix there of Mental Health Association of the Historical Society. But I participated in 2 days and the psychiatrists of that area and the psychologists and the people who work with people who have problems told me that one of the great problems of our urban area there, which is largely new in its expansion, was the fact that the people had a sense of a loss of identity and an inability to find themselves at home in their environment, and they felt that one of the great needs that we had was to establish in that area as well as all over this country the tangible reminders of our patrimony.

Mr. TAYLOR. I agree with you that one of our great national needs is to encourage and teach appreciation for history. I think that that is an essential part of the picture.

Let me see if I understood what you said. You say that the States have been raising 40 percent of the matching money through private donations.

Mr. WILLIAMS. Yes.

Mr. TAYLOR. Are there any other questions?

Mr. Mott, did you have an additional statement?

Mr. MOTT. I have filed a written statement, but I would just like to emphasize some points and make some comments.

In California, in 1952, we established the California Historic Landmarks Advisory Committee to the Director. This committee is particularly interested in the cultural values in California and we have registered in California 873 sites as California registered historic landmarks.

I might mention that our criteria for registration in California is somewhat higher than the requirements to register under the National Registry, so that I think that you can see that we have been at this job of registering our historical landmarks in California since 1952 and have at the present time 873.

Since 1970, when the National Registry program was developed, California has registered 300 sites under the National Register. So that we are very conscious of our historic heritage, and I think that the people are quite aware of this cultural value that we have in California.

The interest in the Historic Preservation Fund in California is high. California is capable, at all levels of government, of matching \$11.2 million worth of historic acquisition and preservation money this year.

This fiscal year we received 24 applications from local governments alone. Because the fund is small, the appropriation or the allocation in California being over \$207,000, as against our capability of matching \$11.2 million, only four of these projects will be approved for matching grants out of the fund.

At the State level we are capable of matching approximately \$5.5 million per year of historic preservation. In other words, the State itself, local and State, is capable of matching \$16.7 million, almost \$17 million. However, with the passage of the 1974 bond act that I referred to previously in my testimony, we in the local agencies will be able to match even a larger amount of money, probably double that amount of money because of the passage of the bond fund. And I would like to mention, Mr. Chairman, that I think that there are indications that the people of the State of California feel very strongly about historic preservation and they have set some very high priorities on this by virtue of the fact that they have approved a bond fund that includes \$15 million for historic preservation, plus the fact that in the past 3 years our Department has received in private contributions \$30 million, much of this money for historic preservation and the acquisition of historic sites.

So that I think that if we look at the record in California, we would have to conclude that the people, irrespective of inflation, are saying that it is absolutely necessary that we preserve and we protect our cultural heritage of California. And they are doing this not only by passing the bond act, but by virtue of their contributions of \$30 million in the past 3 years. And the legislature itself has supported our program by providing us with the necessary money for both interpretation and for protection and for carrying out that working from the general fund.

There has been no cut in our budget in that regard.

I would also like to say this, that we are now approaching the bicentennial of this country, 200 years; and I think that this country and what we have done, not only for ourselves but for the entire world, deserves serious consideration in funding for historical preservation and protection. And it seems to me that we ought to be getting

on with this program and we ought to be taking the very serious step of taking the funding to do the job and to do it quickly.

And I would like to say personally that I think we ought to put major emphasis on this kind of work at this time because I believe that preserving our historical and cultural values is important, and I think it would build patriotism, and at this time I think that that is terribly important, and I think we ought to give that the kind of consideration that it deserves in the funding program. And I think you can see from the figures I have presented that California—and I think that this is not unlike many of the States throughout the United States—is capable of doing the job, and I think that the Federal Government ought to recognize this.

Thank you, Mr. Chairman.

Mr. TAYLOR. Thank you very much for a very fine, enthusiastic statement.

Are there any questions of these witnesses?

Mr. CLAUSEN. Mr. Chairman.

Mr. TAYLOR. The gentleman from California.

Mr. CLAUSEN. I would just like to make one statement. I understand, Mr. Williams, why you brought Mr. Mott before the committee to present his testimony.

Mr. Mott, I am wondering, have you arrived at what you feel would be an adequate funding level for this authorization? The administration has stated their position, but the gentleman from Texas has indicated that probably a starting point should be at a level consistent with the ability of the States to match.

Would you agree with the gentleman from Texas' suggestion? Is this realistic?

Mr. MOTT. I think that it certainly is realistic, and I think that if the States are capable of matching—and I cannot speak for the other States except for California—certainly because of the Bicentennial and the importance that I think the Bicentennial is to the United States and to the people of this country, I think that that level should be achieved.

Mr. CLAUSEN. That is \$160 million.

Mr. MOTT. That is the figure that was quoted.

Mr. TAYLOR. There being no other questions, we thank you very much for your testimony.

Our next witness is from Maryland, and I would like to recognize our colleague, Mr. Robert Bauman, a member of this committee to introduce the next witness.

Mr. BAUMAN. I would like to say the next witness, Mr. Ridout, has excellent credentials to present testimony. Not only was he a State historic preservation officer, but he served the State in our general assembly, and his own family reaches to colonial history.

I had served on the State legislature for 3 years and had many occasions to listen to him. He and the other witnesses today have been good in not only supporting this cause but writing legislation in the State of Maryland to further this purpose.

We are well served to have them present today.

Mr. RIDOUT. Thank you very much, Mr. Bauman.

I have a request from my colleague from Maryland, Mrs. Wright—I wonder if she could assume priority and I could follow her. Mr. Bauman knows Mrs. Wright.

Mr. BAUMAN. Mrs. Wright probably has been the most active person in Maryland.

Mr. TAYLOR. Mrs. Wright, we will be glad to recognize you at this time.

I understand Mrs. Wright needs to catch a plane this afternoon. I was hoping that since we have only three more witnesses, we could go right on through with the hearing and not have to come back.

[The prepared statement of Tersh Boasberg and M. W. Wright follows:]

JOINT STATEMENT OF TERSH BOASBERG, GENERAL COUNSEL OF PRESERVATION ACTION, AND MRS. J. M. P. WRIGHT, PRESIDENT OF HISTORIC ANNAPOLIS, INC.

My name is Tersh Boasberg, and I am a partner of the law firm of Boasberg, Hewes, Klores & Kass, 1225 19th Street, N.W., Washington, D.C. 20036. I appear before you in my capacity as General Counsel for a newly organized national citizen's lobby for historic preservation called Preservation Action. Our membership is composed of non-profit community groups, local historic preservation organizations, and historical societies which seek to protect and enhance our Nation's rich heritage and its man-made environment. Preservation Action was organized by the leaders of local preservation efforts in Annapolis, Seattle, New York City, San Antonio, Savannah, Pittsburgh, North Adams, Massachusetts, Chicago, Wilmington, North Carolina, Indianapolis, Denver and numerous other groups representing large and small communities throughout America.

With me is Mrs. J. M. P. Wright who has been President of Historic Annapolis, Inc., for seven years. Her organization is one of the founding members of Preservation Action, and I can honestly say that few in America have done more for preservation than Mrs. Wright. Under her energetic and imaginative leadership, Annapolis has saved and enhanced its rich architectural, historic and cultural heritage. The City has successfully blended preservation with progress to become a bustling, economically viable and attractive community which represents a model for others to follow. As Mrs. Wright's organization has so ably demonstrated, historic preservation means expanding upon the best in our past for the material and spiritual benefit of the present, and for the guidance of countless future generations.

Today, the cause of preservation stands at the crossroads. Over 50 percent of the 12,000 buildings listed in the Historic America Building Survey since 1933 have been destroyed. That is not a very comforting thought as our Nation approaches its Bicentennial. It is of great significance, therefore, to the preservation of our American way of life that this Committee has proposed H.R. 15357 to help bridge the gap between public funding and the great unmet need to preserve our historic and cultural heritage.

There must be a sense of urgency to these proceedings. Parts of our National heritage are being bulldozed and gobbled-up by speculators on a daily, even hourly, basis. Once our historic buildings, areas and districts have been destroyed in our precipitate rush toward modernity, they are lost forever. Never can they be replaced.

The growing historic preservation movement in America is currently undergoing a significant change in direction. Once the province of wealthy matrons and staid historical societies, preservation is fast becoming a major nation-wide cause involving businessmen, lawyers, architects, bankers, environmentalists, volunteers of all kinds, and diverse community groups. Fed by the national concern for environmental quality and the upsurge of Bicentennial interest, the preservation movement offers a real hope that our cities yet can stave off economic and social catastrophe.

Nothing has been more satisfying to us than to watch the membership of the National Trust for Historic Preservation pass the 50,000 mark. The Trust's vigorous leadership and imaginative programs and publications have spearheaded the historic preservation cause in America.

Over 80 percent of our Nation now lives in urban areas. Our interest in historic preservation is no more or no less than a concern for the quality of life in Twentieth Century urban America. For historic preservation means not only recognition of the values and landmarks of our past; but it means community renewal, economic development, and local progress for our future.

A few examples from the membership of Preservation Action will illustrate how the historic preservation movement has gone beyond simply preserving the house museum or old fort to embrace the notion of large-scale community and economic development. Cities such as Seattle, Savannah, Denver, Charleston, San Francisco, Providence, Pittsburgh, Annapolis and San Antonio are all currently engaged in broad projects of urban rejuvenation and community development based on the expanded concepts of historic preservation. These activities include downtown commercial development, creation of multi-family housing units, and saving attractive residential neighborhoods.

All across our Country, local, non-profit historic preservation groups such as Historic Annapolis, the San Antonio Conservation Society, the South Street Seaport Museum, Historic Denver and the Pittsburgh History and Landmarks Foundation are seeking to protect and enhance historic districts and convert their handsome buildings to new adaptive uses, such as stores, restaurants, condominiums, office space, cultural and performing arts centers, educational institutions and a host of other Twentieth Century uses.

Preservation, in this expanded sense, means progress. It means economically viable and attractive new uses. In the words of the National Trust, it means "preservation for the future".

However, in order to succeed, there is an urgent need for these local groups to receive adequate funding to develop and implement their imaginative plans. While we vigorously support H.R. 15357 and its \$100 million proposed funding level, we would like to offer a few additional ideas for this Committee's consideration so that this important legislation might better achieve its primary purpose: To assist local communities in improving the quality of their environment and the lives of their citizens.

First, the Interior Department's historic preservation grant program has been traditionally administered as a state discretionary program. Decisions as to where funds go within a state have been left wholly to the discretion of each state. As a result, the majority of these monies have not gone to local projects.

We believe that the states should be required to distribute the great majority of these new federal funds to local communities, especially for the development projects of local non-profit groups. We would recommend that at least 75 percent of the new monies go directly for state-approved local preservation efforts.

As an alternative, you may wish to consider language which would enable the Department of Interior to reward those state historic preservation plans which provide that the majority of their federal funds will go to local community preservation efforts. For example, states which strongly encourage local developmental efforts could be awarded more funds under an appropriate formula.

Currently, funds are distributed to states on two bases: (1) an equal distribution to all states of 30% of the appropriation; (2) 45% of the appropriation is distributed on the basis of state demand. But this demand can be for state projects or for local projects. Nothing in the present legislation encourages a state to assist local communities in the development, funding and implementation of their own projects.

We would also suggest that states be required to facilitate the participation of representatives of local community groups in the formulation of state preservation plans. Local groups should have a legal say in how their own federal tax dollars are spent. In this regard, something more than advisory status is requested for local project organizations.

One note of caution. We do not mean to imply by these suggestions that state preservation efforts and state historic sites are not worthy of funding. They are, indeed. Many SPHOs have performed Herculean tasks with virtually no money at all. We merely point out that in the past the majority of preservation funds has not found its way into local non-profit or public projects.

Often, this may have been because there was so little money for anyone. Now, with the greatly increased funding proposed by this Committee, we hope this pattern could change. We strongly believe that the battle to save our cities can best be fought by local forces who are familiar with local problems and who are the direct beneficiaries of local action.

Second, we would encourage greater flexibility in the use of historic preservation funds. States should be permitted to allow local communities to use grant funds not only for the acquisition and development of historic properties, but also for the planning and development stages of local projects.

Without such "front-end" money, large-scale local development realistically cannot be launched; expert legal, financial, and architectural help cannot be secured; project staffs cannot be initially hired; economic feasibility studies and

market research cannot be done; and communities cannot be alerted to the dangers of inaction and destruction. Also, such grants should be flexible enough to cover costs for historic preservation exhibits and studies. We hope this Committee will broaden the current Bill so that states are permitted to make 70% flexible planning and development grants for local community projects as well as for their own state-wide historic preservation planning.

Third, we would ask this Committee to increase the possible federal matching share for local projects from 50 percent to at least 70 percent. Otherwise, only states and the more wealthy communities will be able to participate in this vital program. The greatest need for historic preservation is often in the poorest communities. In many inner-city areas, minority groups are especially hard-pressed to raise the necessary match for their vital preservation projects.

There is no way most of our financially-strapped communities can raise \$50,000 or \$100,000 to match a proposed federal grant of the same amount. For example, in North Adams, Massachusetts, the City Council was able to raise only \$20,000 toward the local preservation group's \$3 million project. In Galveston, Texas, \$200,000 was needed to start a revolving fund. Under no circumstances could the City of Galveston provide these funds. Luckily, the money was secured from a private foundation; but most communities are not as fortunate as Galveston to have a well-financed local foundation situated in its midst.

Many federal programs for health, manpower, education, housing and economic development provide for 75-90 percent federal funding. Our need is just as urgent. The demand for local development is just as heavy. We strongly urge that this Committee not discriminate against poorer communities and consider raising the federal portion of all matching grants from 50% to at least 70%.

Fourth, we would ask this Committee and the Federal and State program administrators to experiment with new methods and techniques for historic preservation. For example, we are particularly impressed with the outstanding efforts of The National Endowment for the Arts' "City Options" program, which seeks to encourage local community public and non-profit organizations to explore a wide spectrum of historic preservation options. These range from finding new uses for abandoned railroad stations to funding large-scale adaptive use demonstration programs in commercial downtown areas and transitional residential neighborhoods.

As America's most prominent architectural critic, Ada Louise Huxtable has said:

"What is most intriguing about [NEA's] architectural and environmental programs is the combination of informed sensitivity and innovation idealism that is shaping them. In a very conscious way, they reach for exploratory studies in extremely broadly defined environmental areas. The National Endowment is concerned with large ideas critical to problems of the cities that are at once abstract and intellectual and firmly anchored in reality."

In exploring new historic preservation ideas, we should examine the possibility of creating a revolving loan fund for financing local projects which could be administered either nationally or through state agencies. Revolving funds have been highly successful in Savannah, Georgia, Galveston, Texas, Pittsburgh, Pennsylvania and many other communities. Loan funds are used to acquire buildings, restore them and then when they are resold, the proceeds are plowed back into the revolving fund for other purchases, restoration and resale.

If federal seed funds were matched by state appropriations, twice as much money could be returned into local revolving funds. We should consider the use of both grant and low-interest loans as seed money to launch such local revolving funds. We know that in numerous communities—"preservation pays"; that monies used to buy and restore properties can be returned many times over.

The Government already has developed examples of similar types of revolving loan funds. The Small Business Administration, the Farmer's Home Administration, HUD and others have successfully used a type of revolving fund at the national level to leverage federal dollars with private commercial funds. The National Trust for Historic Preservation also has had success in seeding revolving funds in local communities. There is no wiser investment we can make than an investment in America's future.

In addition, the Federal Government or states can use their funds to guarantee local commercial loans to preservation groups. Public funds can be greatly stretched by private dollars. We need to experiment much more with such new methods of leveraging public monies with private commercial, individual and foundation funding sources.

Fifth, we submit that \$100 million for preservation is not an exorbitant sum. S-3806 introduced last week by Senator Jackson asks \$150 million for historic preservation. But who can put a price tag on America's heritage?

Some will characterize the expenditure of this \$100 million as inflationary; but is it inflationary to preserve our way of life? Is it inflationary to protect and enhance our urban environment and to provide jobs for our citizens? We submit that to raise our ideals, to aspire to preserve national values, is not inflationary—it is uplifting.

A few examples will suffice:

1. HUD's Open Space Program had an FY 73 Congressional Appropriation of \$100 million. You all know, this program has been frozen since January 5, 1973. In the past 18 months—this freeze, alone, already has saved the entire cost of this Committee's proposal.

2. FY 72 estimates of the Federal Highway Administration show that three years ago, one mile of urban interstate highway construction cost an average of \$5,182 million. Are we so shortsighted as to be unwilling to sacrifice less than 20 miles of highway construction for the preservation of our Country's heritage?

3. We are now in the process of ordering 240 new B-1 bombers. Each plane costs \$15 million. If we ordered seven fewer planes (in the name of our Bicentennial) we could more than finance this Committee's full authorization. These new bombers are being purchased in order to better defend America. Let us spend just 3% of our B-1 bomber money to enhance the quality of life we so earnestly seek to defend.

STATEMENT OF TERSH BOASBERG, GENERAL COUNSEL, PRESERVATION ACTION, ACCOMPANIED BY MRS. J. M. P. WRIGHT, PRESIDENT, HISTORIC ANNAPOLIS, INC.

Mr. BOASBERG. My name is Tersh Boasberg, general counsel of a new group for preservation action. Mrs. Wright, contrary to the list, is speaking with me on behalf of the Preservation Action.

Preservation Action is a newly organized national citizens organization for historic preservation. Its major emphasis has been historic preservation in the cities, and while we welcome the testimony of the Interior Department and the State preservation officers, we would like to give you a little better picture of what is going on in the cities in historic preservation, especially in private fund-raising and private foundations and so forth. I think Mrs. Wright is going to speak later about Annapolis, which is a model for communities in the United States in what a community can do to reinvigorate itself.

I think what we are talking about when we talk about preservation, we are talking about the future. While driving up here this morning, passing the National Archives Building—three words: "Past is Prologue." That is very true today. We are talking about preservation for the future. We are talking about our cities where 80 percent of the population live, trying to make them not only habitable but of human scale. And these groups in San Antonio, I know that Mr. Kazen is from the San Antonio Conservation Society, which this year celebrated its 50th anniversary, in Annapolis and Chicago and Wilmington, N.C., in Massachusetts, in small communities of 5,000, 10,000, 20,000, in large communities, Congressman Bingham's district, New York City—these are active community, nonprofit citizens organizations with a couple thousand members.

In New York what they are doing is reinvigorating our cities. They are taking and making adaptive from out of the older buildings, out of the historic districts, restaurants, boutiques, stores, office space, and really creating a new kind of life in our cities.

This is what we are speaking to this morning, sir. I think that we really stand at the crossroads in historic preservation, the major funding source being HUD. Those programs have stopped for 18 months, the open space program, the urban renewal program, that did provide funds in cities where historic preservation has been frozen, as you know.

Also, once these buildings are destroyed, once these districts are lost, as I said before, they cannot be replaced. We can never replace the historic areas and historic districts and buildings once they are gone.

I would like—perhaps many of you have traveled to San Francisco, to Pittsburgh, to Providence, to Seattle, Savannah, Denver, Annapolis—in all of these cities historic preservation is being undertaken, largely on behalf of nonprofit community groups with widespread citizen membership. They are the most attractive areas in the town.

While we vigorously support this bill, we are delighted to see \$100 million as a proposed authorization. We wish it was \$200 million.

What you have been told today is the matching abilities of States. We would like to add the matching abilities of local communities and, of private sources and double or triple that amount.

We would like to make a few points on this legislation, Mr. Chairman, if we could.

The first is we very much would like to see these moneys going down to the local level as much as possible. I know there has been little money in the past. We know that the States have done the best that they could. The fact remains that in this booklet put out by the Interior Department, in the last fiscal year that we have a record for, fiscal year 1973, in 22 States no moneys went down to the local communities. The moneys were all spent at the State level, and 22 States is over 42 percent of the States of our country.

I think perhaps as an indication of the lack of money there is, that we would very much like to see the cities and these local groups being involved in the decisionmaking at the State level on local preservation, perhaps through some kind of A-95 procedure.

Second, we would encourage greater flexibility in the use of funds. We would like to see the moneys being used for planning and development as much for acquisition of these areas, because when we are getting into the city projects, we have to do economic feasibility studies, we have to do market studies, we have to hire architects, lawyers and so forth, and we would like to see the money kind of be more flexible in that way so local community groups can get organized, can get started, and can use some of these funds for planning and development purposes.

Third, we would like to see, if possible, a match on a discretionary basis be increased to as high as 70 percent because many of our poorer communities simply do not have the funds to match 50-50.

Historic preservation, as often happens, many of the historic projects are in poorer communities. We worked with North Adams, Mass., an old mill town. They are redoing a mill there with office space.

Mr. TAYLOR. What about the State stepping in and helping the local community?

Mr. BOASBERG. We would like to see that happen.

Mr. TAYLOR. I would not urge a 70/30 basis until there is more money. The States are now reaching out for much more than we have.

Mr. BOASBERG. It would certainly help if we could begin to accept the in-kind of services, land and so forth; that would help the local communities very much. If you do plan to go up to 70 percent with some of your planning funds, we would like to see a discretion in the State of going up to 70 percent for those poorer communities that cannot afford to raise their own funds. And that is really where a lot of the problems are.

We have a lot of minority members in our inner city areas preserving there. Because, as you know, in many of the cities it is the inner city area that is the historic area. Many minority members are there. It is very hard to get any kinds of funds raised by them. And if they could have the chance to have a larger percentage, it would be extremely helpful for historic preservation in those areas.

We would also like this committee to think about experimenting with some of the new methods that we have utilized in the city for historic preservation, like the revolving funds. Mrs. Wright will talk about how you can stretch your dollars 10 to 20 times by getting them into revolving funds, buying the properties, fixing them, selling them for a higher price, the proceeds going back into the revolving fund and being used for other buildings in other areas.

Last, we would like to say that \$100 million we think is not a very high price to pay for America's heritage. We know that the Department of Transportation publishes these figures. It costs \$5.182 million for 1 mile of urban highway, \$5 million for 1 mile urban highway. For 20 miles of urban highway, we could have the program. We submit to you sir, it is well worth it.

I will turn it over to Mrs. Wright.

Mr. TAYLOR. Mrs. Wright, do you have additional comments?

Mrs. WRIGHT. I want to speak from the local level, how the local organizations raise money.

We are very grateful indeed for the help from the Congress and the help from our State preservation officers. We can accomplish many things with this assistance.

We who come from small communities on the local level know just how much need there is that the power generated by the Federal dollar has helped us to generate. In turn a great many more local dollars have been contributed to the economy of our towns. We are not talking just about historic homes, museums, but what we have done to revitalize downtown.

I use Annapolis as an example, where the city fathers, when they went to sell their municipal bonds, found that they got a better bond rating with the bankers saying that Annapolis was the healthiest downtown community that they had dealt with, and they gave all the credit to historic preservation. We know this credit was deserved, because there were once 20 vacant stores on our main street. After we had been at work for a time, there are no vacant stores. If one comes on the market, it is very much sought after.

We have a study by Gladstone Associates of the economic value of preservation in Annapolis that shows the property values have gone up 112 percent, that we have stabilized and increased the buying power of the community.

I will put into the record a book called *The Incredible Change*, a booklet which is historic Annapolis blowing its own horn about what we have accomplished.

Mr. TAYLOR. Absent objection, the book will be turned over to counsel and be placed in the files.

Mrs. WRIGHT. We list \$11 million increased personal income and buying power over a 5-year period. The tax revenues, the millions invested in the historic development of downtown properties adds thousands of dollars of increased revenues for city and county. Construction activity, and restoration renewal of historic district properties has generated millions in construction and business enterprise.

I have not even mentioned the tourist industry which we know profits from our efforts. More jobs, increased construction, increased sales, mean increased job opportunities for Annapolis area residents.

This can happen anywhere.

Mr. TAYLOR. Let me interrupt you for one second.

The bells you have been hearing indicate there is a quorum call on the House floor. The gentleman from the Virgin Islands and the gentleman from Guam represent their areas here, but they do not vote on the House floor. Otherwise, they have all the responsibilities of Members of Congress. So they do not need to respond to these bells as the others of us do.

Mr. de Lugo, you will continue presiding, and the rest of us will be back in a few minutes.

Go right ahead.

Mr. DE LUGO [presiding]. Let me say, Mrs. Wright, before you proceed, that I know firsthand the joys of the city of Annapolis. I have been in the area representing the Virgin Islands before getting the seat in Washington. I had been in the area for 6 years. And I can tell you my wife and I enjoyed going to Annapolis and enjoyed the heritage and the restoration and the spirit, too. And I know that it generates a great amount of money.

Mrs. WRIGHT. We hope that you will help us persuade this committee to visit, give an on-site inspection of the need which is great of further assistance we need to save the heritage. And the workings of the local groups such as ourselves, which is a volunteer organization with 300 volunteer hours a week going into preservation.

Also, I think that the techniques that we have developed to keep our buildings on the tax rolls of the city are particularly helpful. But all of these activities must be primed with dollars and the dollars that we are able to raise in fund-raising are not sufficient to do the job.

The second book that I would like to put into the record is a fund-raising book, and of the projects listed, we have been able to fund only one.

Now, this is a Bicentennial program. 1976 is about to catch up with us, and only one of the five programs is adequately funded.

Mr. DE LUGO. Without objection, that will be incorporated into the record or put into the files, whatever is appropriate.

May I say also that we have done quite a bit of this in the Virgin Islands, as you know. Alexander Hamilton grew up in St. Croix, and we preserved, of course, the building in which he clerked and was supposed to have written that famous essay on the hurricane and so forth. We are quite interested in historic preservation, so you have some friends on this committee.

Mr. BOASBERG. You have done a marvelous job on the old fort and the customs house is by far the most attractive part, I think, of the town. And it seems to be used as a town center. It is where people come, I noticed, at the inn down there, when I was there, on business, of course. And it was just a lively part of the city. The old buildings have been taken care of, and some of the buildings are just absolutely magnificent.

I really think it adds so much to see something like that in St. Croix. It was very impressive. You have a lovely home, too, I notice, which is on the National Register, too.

Mr. DE LUGO. Thank you.

Please proceed, Mrs. Wright.

Mrs. WRIGHT. We have all been impressed by what St. Croix has been doing. I might say our court records in Annapolis show there was quite a trade back and forth between the ports of the Chesapeake and St. Croix.

In order to increase understanding of the problems, I enter for the record a broadside sent to our members showing a few problem areas that we have defined ways and means of handling.

Mr. DE LUGO. Without objection, that will be incorporated in the record or files, as determined appropriate by counsel.

Mrs. WRIGHT. I have two newspaper items also. One, "Annapolis is doing something right," which describes the city council's astonishment at finding that historic preservation was progress for the city; and then an article from the Evening Star, "Old city revitalization pays." These are making the point that the money comes back, that every dollar spent by the Federal Government on these programs generates more private funds and, by stimulating the economy of these towns, is something that really revitalizes the economy of the whole district.

The revolving fund that was mentioned earlier that we use is a simple device by which we get money. We buy buildings, we sell those buildings with—we retain the development rights when we sell the buildings again. In some cases, Maryland law permits us to buy the development rights alone. This is a device to protect the public's interest in historic restoration and historic building and at the same time make it possible for the owner of the property to restore the building according to historical efficiency and historical accuracy.

In Annapolis, a \$65,000 revolving fund has saved \$2 million worth of real estate. So you see how little money can be stretched over a long way.

Now, the key issue is not just the economics only. It is a good thing to be able to remember that this program pays for itself. But it is the quality of life in our cities that, as Mr. Boasberg said, 80 percent of Americans now live in urban centers, and 95 percent, I think, is forecast for 1980. So what happens in the city is tremendously important.

We know that the sense of identity, the sense of community engendered by these historic programs helped to bring stability to the cities, to make people happier about living there. And I think it was Winston Churchill who said that we recreate our architecture, and our architecture in turn rules us; I think his words are better than mine, but the meaning is there.

I know you are in a hurry. I will not take longer.

I know that Mr. Bauman and also our Congresswoman Marjorie Holt will join me in an invitation to this committee to come to Annapolis and let us show you just what a private group does and why there is a need for this extra money.

Mr. DE LUGO. Thank you very much, Mrs. Wright.

I for one am always happy to go back to Annapolis and will urge that the committee do this at its earliest convenience.

I would like to commend you and Mr. Boasberg for being most effective witnesses on behalf of preservation.

Thank you.

The next witness will be Mr. Ridout, who yielded his position to Mrs. Wright.

Mr. Ridout, it is a pleasure to welcome you to the committee today. [The prepared statement of Orlando Ridout IV follows:]

STATEMENT OF ORLANDO RIDOUT IV, STATE HISTORIC PRESERVATION OFFICER
FOR MARYLAND

I am Orlando Ridout, the State Historic Preservation Officer for Maryland, and a staff member of the Maryland Historical Trust, a state agency. I would like to express our firm support of HR 15357, legislation establishing a fund for historic preservation purposes.

For many years Maryland, like a number of her sister states, has as a state and by private means, carried out extensive restoration work. It was most gratifying when the national government began active participation with the passage of the 1966 Historic Preservation Act, Public Law 89-665. Now, almost one decade later, the proposed legislation HR 15357 would confirm and supplement that Act. During the intervening years the federal effort has had an increasingly important and favorable role upon the historical preservation movement in the nation by unifying and maintaining excellent standards of brick and mortar restoration techniques, and by bringing preservation out of the strictly volunteer level into being a highly professional discipline.

Indeed, this encouragement, together with the growing interest in our heritage, in the protection of our environment and in the concern for quality of life, has expanded that interest so that the measurable effort in terms of millions of dollars has increased in actual, reportable increments by 300%. We feel that Maryland has been a leader in distributing these funds down to the local level. In 1974, 73% of the grant was committed to local projects and programs, compared to some 53% to 68% in other states. Our request to the Interior Department last year, from Maryland was \$5,869,022 for matching grants-in-aid. This is triple the request of \$2,748,850 for 1972. Because only \$11 million was available to all the states under the existing allocation, in 1974 Maryland received but \$243,523 with which to help meet her grant requests, a figure \$2,505,327 short of the goal. We were in tenth place among the fifty states and territories, down from eight the year before, 1973, when the distribution was \$142,857. Such grants have been increasingly helpful. Beginning in 1969 we received only \$4,573, in 1970 \$23,889, in 1971 \$101,474, in 1972 \$101,124. In every instance we were most appreciative for the help, although it never really approached our demonstrated needs.

During the ten years since the passage of Public Law 89-665, the performance and, of course, the expectations of historic preservation has matured.

The pace of progress in the nation has accelerated. Maryland is one of the fastest growing areas in this country. The consequence has been an increasing threat to our heritage, and local agencies and local persons have responded to the preservation movement to safeguard and restore historic structures and sites.

Perhaps most remarkable of these has been the citizen response to creating twenty National Register historic districts out of the beautiful and attractive towns and communities lying throughout Maryland's counties. The response from local town and county planning commissions has matured to reflect community concern for the historic aspect as an element of local planning. The identification of historic properties promises to be an important function in land use planning. The distribution and enforcement of protective provisions under Public Law 89-665 has had an enormous effect in every one of the federal agency decisions affecting our state, Department of Transportation, public utilities, the military services, Housing and Urban Development, utilizing the environmental elements for consideration. The small, ardent group of volunteer workers no longer need

fight alone to save an historic site. The Federal concern has become a recognized participant since the enactment of Public Law 89-665 in 1966.

In Maryland, an Historical Trust was first created by legislative act in 1961. The combined effect as the efforts of both federal and state has provided the comprehensive State Historic Preservation Plan. We have identified some 12,000 meaningful historic sites and structures in Maryland towns and cities, and in her twenty-three counties. Maryland has 228 properties on the National Register, and 20 Historic Districts. Our state agency responds on a daily basis to the needs of local, state, and federal offices, and has a wide public contact assisting, advising, and participating in matters concerned with the preservation of our State's heritage.

In a continuing effort to assess and evaluate the programs current throughout our state, our office prepared a list of 48 eligible projects and programs in the Annual Work Program for submission July 1, 1974, to the Office of History and Archaeology, totaling \$12,168,544. On an approximately matching basis, local, state, or private participants will provide \$6,299,522 in funding and \$5,869,022 would be sought in grants-in-aid from Interior Department funding. As you can see, the serious interest and commitment on the local level has aroused a deepening expectation for which we would hope to seek larger amounts than we have received in the recent past. Indeed, in the last three years there has been a feeling that our federal government has not fulfilled these expectations near the level that seemed reasonable or just. HR 15357 will provide legislation that would in a great measure help to fulfill this need in the area of historic preservation. May I respectfully urge you to give it your favorable consideration.

STATEMENT OF ORLANDO RIDOUT IV, STATE HISTORIC PRESERVATION OFFICER, MARYLAND

Mr. RIDOUT. Mr. Congressman, I thought that perhaps I might respond in summary; I might submit my statement and respond in summary to some of the questions that seemed to be raised during the conversation here this morning.

Most especially, I would like to speak to your chairman's comment that are we picking the right horse and finding a rider for it.

As a State historic preservation officer, I firmly support this bill. My reason for its support, even though it may not be possible to fund it this year, is based on the fact that when the original bill was enacted in 1966, it was 1969 before the funds began to come through for that bill. And I think that in the spirit of the policy—and I think a very forward-looking policy—of using revenues from resources to renew and support others of our resources, very valuable resources, a very wise policy. And it may be a year or so before we are able to use these funds and to be able to channel them in both protecting our natural environment and protecting our historic environment.

I find that people use and enjoy these environments, and they are a very important and meaningful part of their life, as well as having gasoline and fuel and making use of the mineral resources. As a matter of fact, in living with the young people of my household, the present generation, I really think they are much more interested in the life which is provided by the natural resources than that which is provided by gasoline, automobiles, and the perhaps more real side of our life nevertheless so desirable. It is nice to have amenities, and it is nice to have automobiles. But I feel that young people today seem to be much more interested in doing away with those if they could and enjoying others.

In support of this bill, in 1969 when funds first began trickling through to us, we received only \$4,000 for the State of Maryland. Each year there has been an increase in the amount of money. And

the second year it was \$24,000; in the third and fourth years, it was just over \$100,000. Last year in expressing the need for nearly \$3 million, we received from the Federal Government \$243,000. This was, as you see, far short of the needs that we expressed in terms of the provisions of the Historic Preservation Act.

In submitting our request this year, we found, in Maryland, that we could enumerate and had eligible 48 programs and projects amounting to \$12 million. Our request for matching funds was just over \$5 million. And from various resources within the State of Maryland, we would have a matching amount of \$6 million, or just over it.

You see, therefore, that even when \$20 million is being provided of Federal funds for all of the States that this just does not go very far. In fact, it does not go far enough. And we would certainly encourage the passage of this bill.

I am not able to speak on the 70 percent/30 percent ratio of matching funds, because, obviously, we have not been able to meet the 50-50 matching basis yet.

I would like to say—and the gentleman from Guam asked, what about local and private funds? Maryland, and I know all of the other States and the territories have been very generous for many years in the support of historic projects. Certainly, the State of Maryland has been one of the leaders in this. Although Maryland is one of the older States, we are very pleased with what we have received from the Government.

I might say in a turnaround, while it was intended that Federal funds should be used for a seeding fund, that in reality, perhaps, the States have been seeding and encouraging the Federal Government to assist in these, as the Federal Government has, with the vast sums of money that were spoken of here today, both for appropriations and also for income receives vastly more opportunities to receive moneys.

We are hoping that those revenues will be used to support, even in a modest way, some of the undertakings in the field of historic preservation.

Mr. DE LUGO. Mr. Ridout, could we ask you to look ahead and give us some estimates for the funding level that Maryland would be able to match in the next several years?

Mr. RIDOUT. I would say in the next several years that we would probably increase at something of a rate that we have increased over these recent years. We have normally submitted a request—this year eligible projects were \$12 million. Previously it had been \$5 million. I would say that this begins to slow up just beyond the \$12 million amount.

Let me say this. When you go out to the communities and consult with them on what we may be able to match on the Federal level that we begin to stir a pot of expectations. And when that expectation has not been met over 3 years, you begin to find a somewhat hostile situation.

I might say that when Senator Williams, of Florida, spoke about the additional amount that the State of Florida and the other States are expending, we are beginning to be a little more careful about how much of that pot that we stir in expectation. I do not want to submit an unrealistic amount for Maryland, like \$12 million, knowing that I may get only \$243,000.

If I have a project and this is not an expensive project, like \$30,000, and I say, well, we cannot give you a 50-50 match because we did not get nearly enough for Maryland, we can only give you \$6,000. They are not only very disappointed, but they want to go see their Congressman or their Senator, Senator Beall from western Maryland, for example.

I might say that my experience in the State of Maryland as a legislator between 1950 and 1962 was that we spoke very quietly of historic preservation. The public interest and the interest of members of the government and legislature, the State agencies, the Federal agencies, and also of Congressmen has been a growing interest in historic preservation. They have found that they can express in public their private interest.

We are very fortunate that members of our congressional delegation have been presidents of their historical societies. Senator Mathias was president of the Historical Society of Frederick County. Goodloe Byron, our Congressman, was a member of our Board of Trustees of the Maryland Historical Trust, and he was also president of the Historical Society of Frederick County. Frederick County seems historically to send Congressmen and Senators to Washington.

In any case, we have an understanding and a sympathetic hearing among our congressional delegation. Mr. Bauman, of course, who introduced me this morning, has always expressed a keen interest in this; so has Mrs. Holt from my home district. What I am saying here is, you are picking the right horse.

I think that this is the time to give earnest consideration and pass this bill. And as the funds become available, to know that we will be able to more than match them in the States, and I think that we will be realistic about matching them in the State. Both the State government in Maryland and private funding are moving forward.

And the help which has been given by the act of 1966 encouraged excellence and high standards both in professional help and among the volunteer workers. This has been one of the most laudable and worthwhile achievements of Federal participation in historic preservation.

Thank you very much.

Mr. DE LUGO. Thank you very much.

Are there any questions?

Mr. WON PAT. No, but I congratulate you on your fine presentations. I share with you all the justifications you have made.

You know, I live in Maryland, although I come from Guam.

Mr. RIDOUT. My last sponsored visit to your delightful island, sir, was about 30 years ago, but they were beautiful islands, and I enjoyed them.

Mr. WON PAT. I hope you have an opportunity to visit again.

Mr. DE LUGO. Thank you very much.

Our next witness will be Mr. Frederick C. Williamson, [State Historical Preservation Officer from Rhode Island, from the district of our colleague, Mr. St Germain.

Congressman Mr. St Germain is here and we welcome him.

Congressman, I was just saying that the next witness is from your district, and I would like to have you introduce him.

Mr. ST GERMAIN. I really appreciate the chairman's according me this privilege. I am certainly very proud to introduce Mr. Williamson.

Mr. Chairman, tradition goes hand in hand with progress in Rhode Island, and we are proud of the blend of old and new that characterizes our architecture. As one of the 13 original colonies, we have an abundance of historic buildings. Through the generosity and hard work of organizations, both public and private, and dedicated individuals, many of these ancient buildings have been faithfully restored.

Nevertheless, there have been occasions when an aged and historically valuable edifice has been sacrificed to the wrecker's ball, solely because the necessary funds could not be raised to save it.

No one feels such a loss more acutely than Mr. Frederick C. Williamson, director of the Rhode Island Department of Community Affairs. In addition to many arduous duties, Mr. Williamson serves as State Historic Preservation Officer to the Office of Archeology and Historic Preservation of the Department of the Interior. As such, his responsibilities cover the recommendation of sites and structures for inclusion on the National Register of Historic Places, and he oversees the preservation of our cultural, architectural, and historic heritage to enrich the experience of present and future generations.

Mr. Williamson has demonstrated a continuing interest in H.R. 15357, and I thank you, Mr. Chairman and the subcommittee, for inviting him here today to present the views of Rhode Island in support of the legislation.

I might add that, in addition to his many duties, he is the director of the Department of Community Affairs, a very key, important, and sensitive agency in the State of Rhode Island. He is concerned with housing and community development as well as historic preservation, sir, and is here to testify as one who knows the realities of life, progress as well as preservation.

I thank you for the opportunity to have him testify today and for allowing me to introduce him.

Mr. DE LUGO. Thank you very much, Mr. St Germain, for your presence here today.

We welcome you before the committee, Mr. Williamson. We look forward to your testimony.

You may proceed.

[The prepared statement of Frederick C. Williamson follows:]

STATEMENT OF FREDERICK C. WILLIAMSON, STATE HISTORIC PRESERVATION OFFICER, DIRECTOR, DEPARTMENT OF COMMUNITY AFFAIRS, STATE OF RHODE ISLAND

Honorable Chairman, Mr. Taylor, and the Honorable members of the National Parks and recreation Subcommittee, I consider it a distinct privilege to appear before you today in support of bill HR 15357 that seeks to amend the Act of October 15, 1966 establishing a program for the preservation of additional historic properties throughout the Nation. The amendment will establish an Historic Preservation Fund in the Treasury of the United States that will receive into that fund \$100,000,000 annually from revenues under the Outer Continental Shelf Lands Act. When appropriated by Congress the amount granted to each State under the historic preservation program will not exceed 70 percent of the cost of each project rather than the 50 percent now available under present legislation.

As a member of the Executive Committee of the Nation's Historic Preservation Officers, I can assure you that everyone conversant with historic preservation in this nation looks upon HR 15357 as the most significant aid to the preservation of our Nation's patrimony since Congress passed the Act of 1966.

The Historic sites and structures of our nation constitute a major part of this country's irreplaceable natural resources. Unlike nature which through the cycle of time replaces much of her reserves on earth, our historic resources once they are allowed to decay into oblivion, can never be replaced.

Thus, revenues received under the Outer Continental Shelf Lands Act will provide a most appropriate source of funds for Congressional appropriation in support of the historic preservation program. Use of this revenue will have the effect of providing a steady source of adequate funds, the amount of which will not have to depend on the priority of competing programs before Congress.

The historic preservation grants-in-aid program has suffered from lack of adequate funding since its inception. While past program dollars have steadily increased over the years, there was never the ability to address in a consistent, meaningful way, the deterioration, decay and demolition of the Nation's historic inventory.

A factual recording of that need as expressed in financial terms is the present 50 percent matching capability of the states to qualify for grants-in-aid. Each matching dollar represents an actual physical need that often is a last ditch attempt to save a valued structure from the final rot of years of neglect and to provide one more visible link in the audit trail of history.

As an example of the ability of the states to match the federal dollar, my own state of Rhode Island requested \$533,000 in fiscal 1971 and received \$104,168. We requested \$479,000 in fiscal 1972 and received \$83,000. In fiscal 1973 we requested \$794,190 and received \$130,912. In fiscal 1974 we requested \$3,101,700 and received \$251,931. For fiscal 1975 we have an application for \$3,421,201. This amount represents the matching capability of the applicants and makes a total of \$6,850,402 in work projects which could be undertaken immediately for historic preservation in Rhode Island.

For instance, in Woonsocket, the city and the citizens are currently making valiant efforts to save and restore two fine structures. The first, Harris Institute, an Italianate building and now City Hall, was constructed between 1853 and 1858. Here in the lecture room, reputed to be the best in the state, Abraham Lincoln delivered a campaign address in 1860.

The second is the Woonsocket Opera House of 1888, a great brick structure, 70 x 170 feet, designed in the Romanesque Revival style by Willard Kent. It was the center of the theatrical entertainment in northern Rhode Island and is now the subject of a concentrated effort on the part of Woonsocket citizens to restore it for a central cultural center for the northern Rhode Island and southeastern Massachusetts area. Both those projects are worthwhile and will, if successful, add immeasurably to the vitality of this city now in the process of an important renewal process.

Applications for grants-in-aid for work in Providence alone for Fiscal 1975 amounted to \$2,396,304 making a working total of \$4,792,608 if grants were received for such important city and state owned buildings as the Old State House of Rhode Island (1763), the 1900 State House, a fine marble structure designed by McKim, Mead and White, and also the Esek Hopkins House, the home of the first Admiral of the American Navy, and other Providence projects.

In addition, more adequate funds would help the City of Providence in its greatly needed efforts to care for Roger Williams Park, designed by Horace William S. Cleveland of Chicago, and one of the great city parks in this country. The early park buildings, including the Museum Building of 1894, the Stable, and the Menagerie of 1891, the outstanding Carrousel of 1896 built by John H. Walker, who brought the first merry-go-round to Rhode Island in the early 1880's, the Casino also of 1896, and the Temple of Music are fine structures, each designed by an important local architect. They all need protective repair work and the Casino, which has elaborate original decoration and paintings, will need special care at considerable cost.

Although now outgrown, the Providence City Hall, built by Samuel F. J. Thayer in 1877 and rivaling the Boston City Hall should also be restored to take its place as part of an important downtown public square. Its sturdy stone construction, elaborate decoration and splendid public design in the Empire style make this building a key architectural landmark for the City. Grant-in-aid funds to help restore the structure could save it so that it could be converted for distinguished use as the executive offices for the City government, with other city functions housed in a new building.

Newport, the real tourist and restoration center of Rhode Island can also be enormously benefited by more adequate grant-in-aid funding. Applications from Newport for fiscal 1975 total \$847,482 including a re-application from St. Mary's Roman Catholic Church (where President and Mrs. John Kennedy were married), a fine stone structure built in 1848 under the supervision of General Rosencrans. Due to limited funds, the State Historic Preservation Commission was unable to honor this application (for \$50,000) in 1974, and unless our allocation is increased

sizeably in 1975, we may have a similar problem in the coming year. Other Newport projects, all extremely important include: the Newport Casino, 1880-1881, one of architect Stanford White's masterpieces; the Clarke Street Meeting House of 1735 for which, although it has been made a high priority Bicentennial project, restoration funding has been a serious problem; \$300,000 for the Fort Adams restoration; restoration of George Berkeley's home from 1729-1732 (during the stay in Newport of this distinguished Irish philosopher and Bishop of Cloyne); and a project for installing authentic lighting for the Historic District in Newport; the restoration of the Chinese Tea House, an outstanding attraction of Marble House, one of Richard Morris Hunt's magnificent summer mansions; and the restoration of the state-owned house (built in 1872-3) where President Eisenhower stayed in Newport. Many of the great Newport summer mansions will need help in time to come if Newport is to retain its character as one of the great resorts of America. Besides these needs the Spring Street Congregational Church built in 1855 by P. C. Wells, with its extremely fine wall paintings by John La Farge, is now too large for its congregation and is in danger of becoming derelict, while the Mount Zion African Methodist Episcopal Church, a building constructed in 1880 by Russell Warren as part of the Bellevue Hotel, has been recently badly damaged by fire and the congregation want to restore the structure including the especially fine decorative ceiling. The State Historic Preservation Commission will have a hard time helping any of these projects unless the present Bill HR 15357, greatly increasing preservation funds, is passed, making available the needed Federal help.

With its share of funds proposed in this bill, the State of Rhode Island will gradually be able to repair and restore its historic structures and districts. The cities and towns that are now finding the burden of caring for their great heritage almost impossible to bear will be enabled to protect that heritage and the future.

Moreover, the many designated historic districts in Rhode Island's fine old towns have privately owned houses whose owners could be helped to restore them properly if small grants were available for correct restoration treatment. New pride in our towns is already being engendered by the National Preservation program. Small grants to owners of historic properties can protect and preserve the architectural fabric of our state.

Mr. Chairman and members of the Committee, the foregoing examples just scratch the surface of need in Rhode Island. At the same time, every state in the union can display a similar, if not more extensive need. More important—passage of HR 15357 will have the effect of widening the impact on the public by making historic preservation more meaningful to more people. Contrary to popular notion, the value of historic preservation in both its practical and philosophical sense benefits everyone, not just a few knowledgeable architectural and historical advocates.

In conclusion, I take this opportunity to pay special tribute to Congressman Fernand St Germain, the distinguished Representative from the State of Rhode Island who by reason of his incisive knowledge of historic preservation and housing matters, is providing an immeasurable amount of assistance to the National and local programs of both areas of concern.

I thank you, Mr. Chairman, for the opportunity to present these views on behalf of HR 15357. It will remain for history itself to judge and applaud the efforts of this committee and the Congress in assuring that future generations of Americans will be able to see, enjoy and gain sustenance from the visible evidences of this Nation's great past.

STATEMENT OF FREDERICK C. WILLIAMSON, STATE HISTORIC PRESERVATION OFFICER, DIRECTOR, DEPARTMENT OF COMMUNITY AFFAIRS, STATE OF RHODE ISLAND

Mr. WILLIAMSON. Thank you, Mr. Chairman and members of the committee.

I consider it an honor and a privilege to be here today to testify in favor of the Historic Preservation Trust Fund as contained in bill H.R. 15357.

I also at this time would like to express my appreciation and gratitude to our distinguished Representative from Rhode Island, Congressman St Germain, who has introduced me. Our association is a

close one, and we depend on him very much because of his incisive knowledge of historic preservation and housing matters, and because he has helped us both in national and in local programs, and I am proud, of course, and happy that he has been able to introduce me today.

Mr. Chairman, I have presented a statement that delineates a number of things that we would like to do in Rhode Island and that we have done. I will not attempt to read it, but I will sort of summarize some of the thoughts that I had in relation so what I have said in specifics in my statement, and also how I feel about this bill that we are here to support.

I feel that over the years while we appreciate all of the support and the additional program dollars that Congress has been able to provide us, but for all of that, they have been insufficient and inadequate to attack the problems of decay, deterioration, and demolition that, impact, our historic inventory of this Nation.

I am sure that in the 5 years I have spent as historic preservation officer and in my membership on the executive committee of the National Association of Historic Preservation Officers, I can say that most people, if not all, who are conversant with the historic preservation program feel that H.R. 15357 is the most significant piece of legislation that has been before Congress since the act of 1966.

I am sure that as I speak to you about some of the individual concerns in Rhode Island that you can appreciate the fact that, while we are the smallest State in the Union, that we do have, as one of the Thirteen Original Colonies, a great reservoir of structure of historical interest, that other States throughout the Union and all the States have the same concerns and the same needs, and that the examples that I have can be multiplied many, many times all over the country.

A lot of the things that we feel, and I personally feel, that the revenues from the Outer Continental Shelf Act, as it is called for in this particular bill, is a most appropriate source of funding, because I look upon historic preservation of sites and structures as natural resources. While they are not necessarily the kind of natural resources we think of from a natural standpoint, nature has a way over the years in the cycle of time of replenishing her reserves. And unnatural resources that we consider as far as historical preservation is concerned, once they decay to oblivion, they can never be replaced.

This is one of the great concerns that we have. And I feel that the kinds of funding that would be required to support our historic image, this kind of funding can only come from a source such as is called for here. I feel that if Congress can appropriate and authorize money here, we will not then have to compete with other programs of greater or lesser priority, because in this case there will be a steady source of funding from this particular source.

I feel, of course, also that the 70/30 matching program is the sort of thing that we should look forward to, provided that these funds are made available to us, because in the State of Rhode Island, the majority of the matching funds that are made available to us come from private sources. I would say at least 90 percent.

We work very closely with individuals, associations, private individuals throughout the State who are able to come up with the matching dollars under the present 50/50 grant in a program that we are able to help them to restore these structures that need restoring.

The matching ability of Rhode Island can best be exemplified—and also, of course, the kind of money that we get for this program—by the fact that in the last 4 years, we have requested as much as \$4.9 million, but we were only able to receive from the Federal Government in the grants-in-aid program \$570,000. We have increased as the years go on our matching capability, because, as you see, in 1971 we were able to match \$533,000, and we went up to \$479,000 then to \$700,000, and last year we were able to match \$3 million.

In fiscal 1975 we in Rhode Island can match \$3.4 million. Now, if we were able to receive sufficient Federal funds, that would mean work programs to the tune of \$6.8 million. So you can see that we do have a capability in Rhode Island of matching these particular funds.

And, as you well know, the money that we can match all represents the kinds of physical decay and deterioration that is necessary for us to address.

Now, what I would like to do is just point out a few examples of why we need some of the funds and the variety. For instance, in the city of Woonsocket—that is the home town of our distinguished Congressman—there are two particular programs that we are very much interested in. One, the Harris Institute, which is now the city hall, constructed between 1853 and 1855, and in its lecture room Abraham Lincoln delivered a campaign address in 1860. Also in Woonsocket, the Woonsocket Opera House was built in 1888. This is a great brick structure designed in the Roman revival style by Willard Kent. It was the center of entertainment in northern Rhode Island.

I point out this particular example mainly to show that, as a result of the interest in historic preservation, in Woonsocket great groups of people have gathered together and have been giving public concerts and affairs to raise money to match whatever Federal funds might be available to assist in the restoration of the Woonsocket Opera House.

In Providence we have, not a structure, but a site. We have Roger Williams Park. This is one of the great city parks in this country. Included in the park are such things as a museum building, the stable, a menagerie, outstanding carousel. This structure as we know it is a great city park. The restoration of these items on that land would benefit historic preservation and help this particular park, the Providence City Hall, rivalling the Boston City Hall.

It might be interesting to note that the applications from the city of Providence total \$8.2 million.

In the city of Newport, we have many, many projects, such as St. Marys Church, where the President and Mrs. Kennedy were married. Applications just from the city of Newport total \$847,000.

And we need a fund that would have some sort of reservoir of money that would help these disastrous happenings where, just recently, in Newport the Mt. Zion Church was disastrously destroyed by fire. And it would cost quite a great deal of money to restore this particular building. But this kind of money is not available, so these examples that I give you, while they are necessary, they are needed, we hope that someday a program such as this, hopefully, this bill will be passed by Congress.

In conclusion, Mr. Chairman, I am not sure what all the priorities of the Congress happen to be, but I do know in these times—and we do live in really troubled times, where we not only doubt each other

but we doubt ourselves. And I feel that a preservation program adequately funded would provide the visible evidence of this great Nation's great past, to provide an anchor and to provide something for future generations to see, to enjoy, and to gain sustenance from, because this is what is needed in America today.

I feel only a historic preservation program such as this can meet that need.

Thank you, Mr. Chairman, for the opportunity to speak before you today.

Mr. DE LUGO. Thank you very much, Mr. Williams.

I can see why you are held in such high regard by your State and by your Congressman, Congressman St Germain.

I might say that your statement has been particularly impressive, because you have given specific examples which would be affected by a larger fund.

Before I ask the next question, may I say for the record those in the audience saw that our distinguished chairman of the Subcommittee on National Parks and Recreation just entered the room and then had to leave again because there is a vote on the floor. So we will proceed.

I would like to ask you the same question that we have asked other witnesses.

What level of funds would your State possibly be able to match during the next several years?

Mr. WILLIAMSON. I feel that we could match, at least in the next fiscal year, that amount that we have available now, that is, \$3.4 million in fiscal 1975, and I would suggest that perhaps that the funding should at least match the national matching capability of the States.

Mr. DE LUGO. Thank you, Mr. Williamson. And again, I say your testimony has been particularly impressive and realistic, and I thank you for being here today.

Mr. WILLIAMSON. Thank you, sir.

Mr. DE LUGO. Our next witness will be Mr. Lawson B. Knott, Jr., executive vice president, National Trust for Historic Preservation, and it is a great honor to have you here before us, Mr. Knott.

STATEMENT OF LAWSON B. KNOTT, JR., EXECUTIVE VICE PRESIDENT, NATIONAL TRUST FOR HISTORIC PRESERVATION

Mr. KNOTT. As you have indicated, Mr. Chairman, I am executive vice president of the National Trust for Historic Preservation, which as you know, was chartered by the Congress in 1949 as a charitable, educational, and non-profit organization to, among other things, facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest. On behalf of President James Biddle, the Boards of Trustees and Advisors as well as more than 50,000 members of the National Trust, I am pleased to have this opportunity to support the objectives of H.R. 15357, and to briefly comment on some of its provisions.

You are undoubtedly aware that through an apparent inadvertence, line 2, page 2 refers to "this section" rather than to section 102. With this perfecting amendment the proposed amendment to section 103(a) of the Historic Preservation Act of 1966 would enable the Secretary of the Interior to recognize the fact that the costs of all

facets of historic preservation programs and projects are increasing at rates disproportionate with the slower increasing income stream from non-Federal sources available for matching Federal grants. The prospect of increased Federal support would provide an immediate additional stimulus for public participation in and support for historic preservation and would facilitate the work of the States in the preparation of comprehensive statewide surveys and plans. The national trust applauds the splendid work and the increasing visibility of the State Historic Preservation Officers as they move forward with the preparation of State plans and with their implementation.

Gratifying as has been the tremendous impetus given the preservation movement through the enactment of the 1966 act which this bill would amend, the consideration of H.R. 15357 at this time affords us the opportunity to reflect on some of the profitable experience of the past 8 years and to possibly broaden the base of the amendments this bill proposes.

The proposal to make it possible to provide States greater assistance in the preparation of comprehensive statewide surveys and plans would be a positive step toward providing, at an earlier date than would be otherwise possible, the badly needed factual information about the size and scope of historic preservation needs of the Nation. I am confident would tend to support the objections given by the departmental witnesses given this morning on the program. We do know that the progress we have made in identification and preservative action regrettably has fallen short of the mark of saving endangered historic properties of national significance. We also have learned from searching inquiry into the causes of failures to preserve as well as from studies of significant success stories that there is a tremendous job to be done in demonstrating to potential sources of private financing of preservation projects that preservation can be profitable; that proper planning and the use of suitable techniques can and do cut the cost of preservation projects. A national trust-sponsored institute is today underway at Nantucket, Mass., in which more than 20 bankers, mortgage brokers, developers, lenders, architects, and others are seeking innovative means of meeting these needs.

Mr. Chairman, the national trust, which through its 50,000 members and 1,300 member organizations with nearly 1 million members is striving to discharge its charter objectives, believes that it is timely to reflect in amendments of the 1966 act some corrective measures that would facilitate our work. Therefore, we recommend that section 1(a) of H.R. 15357 be revised to read as follows:

(a) Subsection (c) of section 102 is redesignated as subsection (d), and the following new subsection (c) is inserted before said subsection:

(c) The Secretary may in his discretion waive the requirements of paragraph (3) of subsection (a) of this section for the purposes of making grants for the preparation of statewide historic preservation plans and project plans, but any such grant shall not exceed 70 per centum of the cost of such plans; and he may waive the requirements of said paragraph (3) for the purposes of making grants for projects to preserve historic meeting houses and endangered historic properties of national significance, and to demonstrate methods and techniques of historic preservation, but any such grant shall not exceed 90 per centum of the cost of a project, and the total of such grants made pursuant to this clause in any one fiscal year shall not exceed one-third of the funds appropriated for that fiscal year pursuant to section 108.

Adoption of this proposal would not only provide future increased aid to States for the preparation of statewide comprehensive plans,

but would specifically enable the States and the national trust to timely preserve endangered historic properties of national significance and would enable us to demonstrate on a broader base effective methods and techniques of historic preservation.

In addition, it would provide for projects to preserve historic meeting houses, a program of significance in the bicentennial era, which was contemplated in legislation introduced some time ago by committee chairman Congressman Haley. The tremendous support given similar legislation sponsored by 12 Senators in Senate hearings on June 5, 1974, suggests this amendment on H.R. 15357 is a timely and appropriate means of providing for this unique program.

The national trust fully supports the manner in which H.R. 15357 would amend section 108 of the 1966 act. We believe that the historic preservation movement is rapidly coming of age and that the authorization for which this amendment would provide would give direction and a reasonably secure base on which to make plans for the future.

While the funding we have received beginning with fiscal year 1968 has made it possible to undertake projects and to carry out programs we could not have otherwise undertaken, the amounts have been far below the need and the trust's matching capabilities. Of the \$1.75 million of Federal grants which the national trust requested and was prepared to match with private funds in each of the 3 fiscal years, 1968, 1969, and 1970, only \$300,000 or 17.14 percent of the amount requested was received by the trust in 1968; only \$17,500 or 1 percent of the amount requested was received by the trust in 1969, and only \$300,000 or 17.14 percent in 1970. At the request of the National Park Service, the trust on March 5, 1969 submitted a 5-year historic preservation program which would involve over the period Federal grants totalling \$13,445,060, and an equal amount of matching private funds to carry out the responsibilities of the trust.

Without reciting those year by year, the range in the total amount of grants in those 5 years is \$5.4 million, and the range in percentages was from 17.14 percent to 44.66 percent in fiscal year 1974.

We believe, Mr. Chairman, that the proposed amendment will go far toward eliminating or substantially reducing the peaks and valleys in programing and program execution and that this constructive action will greatly advance the cause of historic preservation, the basic purpose of the Historic Preservation Act of 1966. In confidently expressing this belief, I am mindful of the distinction between an authorization for an appropriation such as this bill contemplates and an appropriation of spendable funds. I am also aware of the very real concern expressed with sincerity about the impact of this legislation on mounting inflationary pressures.

Nonetheless, I believe the public confidence the enactment of this measure will engender through the further commitment of the Federal Government to the policies enunciated in the 1966 act outweighs any inflationary implications of this authorization in which we live. Indeed, when I reflect on the fact that the membership of the national trust has increased five-fold since the 1966 act was passed, I believe that the enactment of this legislation and the provision of other incentives for greater public participation in historic preservation will stimulate public interest and activity to such an extent that the full funding of the authorization may not be required during the limited period provided for in order to meet the program challenges that confront us.

Mr. Chairman, I urge careful consideration of the amendment I have recommended and favorable action on this important legislation.

Mr. DE LUGO. Thank you, Mr. Knott.

Has the Senate acted on the meeting house proposal, and how does your language compare with the Senate version, if they have?

Mr. KNOTT. The Senate has not acted upon that legislation. I do not know whether that is one of the subjects that will be taken up on Friday of this week or not. I believe the Senate committee is on Friday considering a similar bill to H.R. 15357. I say "similar." I am told it is similar. As late as yesterday, copies of the bill were not available.

Mr. DE LUGO. I thank you very much for appearing before us, and the time is late. It has been a very good hearing and I thank all the witnesses.

The committee will stand adjourned.

[Whereupon, at 1 p.m., the subcommittee was adjourned, subject to the call of the Chair.]

