

NY Times JAN 11 1974
**NIXON IMPOUNDS
POLLUTION FUNDS**

**Withholds 3-Billion Allocated
for Treatment of Waste
—Cites Inflation Peril**

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WASHINGTON, Jan. 10 —

President Nixon has ordered the impoundment of \$3-billion authorized by Congress to help communities build waste treatment plants in the coming fiscal year.

The President's order came in a letter dated Jan. 1 to Russell E. Train, head of the Environmental Protection Agency. A text of the letter was released today by the agency.

Under the withholding New York State stands to lose almost \$400-million in funds not allotted by the President for the coming fiscal year. New Jersey and Connecticut would lose almost \$200-million and more than \$54-million, respectively.

The impoundment, which in effect, allocates only \$4-billion of \$7-billion authorized for the fiscal year 1975, follows similar withholding of water pollution control funds by the Administration in the last two fiscal years. In those two years, Mr. Nixon allotted \$5-billion of the \$11-billion that Congress wanted to go for treatment plants, water mains, sewers and pumping stations.

Retreat in Effort Seen

If the Administration follows through with its spending proposal, the President will have committed \$9-billion, or half of the \$18-billion ordered spent by Congress to clean up the nation's waters. The clean water funds are offered on a 75-25 per cent Federal-state matching basis.

In his letter, the President reiterated his stand on other impoundments, saying his action was needed to curtail inflation.

"The Federal Government must continue its efforts to control spending in order to avoid renewed inflation or a

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requirement for increased taxes," his statement read.

An E.P.A. spokesman said the impoundment would move the nation's clean water effort "back a year or two." In passing the Federal Water Pollution Control Act of 1972, Congress originally hoped to clean up the nation's waters by 1985.

But Mr. Nixon, in what some observers say is an effort to reassert his executive prerogatives, said the \$4-billion allocation for the fiscal year 1975, which begins July 1, "provides for a continued expansion of the program while giving appropriate consideration to competing national priorities for our limited Federal resources."

"These funds will allow the states," the letter continued,

"to construct those high priority projects which are most critical for improving water quality."

Representative John A. Blatnik, chairman of the House Public Works Committee, which wrote the \$18-billion authorization, called the withholding of funds "a continued inadequate response to the nation's needs."

"Only the most shortsighted administration could see realizing that the bill will come due eventually," the Minnesota Democrat said.

Senator Edmund S. Muskie, chairman of the Senate Air and Water Pollution Subcommittee, said in a statement that he was "disturbed and deeply disappointed" with the President's action.

"Clean water apparently must wait for an executive who is willing to make a commitment to clean water funding

equal to clean water rhetoric," the Maine Democrat said.

According to E.P.A., 13 court suits have been brought against the Administration for not allocating the full Congressional authorization. In one of these cases, brought by the City of New York, a Federal judge here ruled last May that the Administration must spend the entire \$11-billion authorized in the fiscal years 1973 and 1974.

That case, according to a spokesman for the city's Washington office, was argued before a three-judge panel of the United States Court of Appeals for the District of Columbia in early November. The spokesman said the city's corporation counsel was "waiting anxiously" for the court's ruling. A favorable decision could mean almost \$700-million in additional waste treatment funds for the city.