

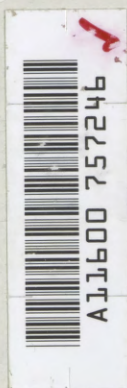
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87/4 FEDERAL-AID HIGHWAY ACT OF 1961

GOVERNMENT

(No. 87-4)

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HEARINGS

BEFORE THE

SUBCOMMITTEE ON ROADS

OF THE

COMMITTEE ON PUBLIC WORKS

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH CONGRESS

FIRST SESSION

ON

H.R. 5200

TO AMEND CERTAIN LAWS RELATING TO FEDERAL-AID
HIGHWAYS, TO MAKE CERTAIN ADJUSTMENTS IN
THE FEDERAL-AID HIGHWAY PROGRAM, AND
FOR OTHER PURPOSES

MARCH 21 AND 23, 1961

Printed for the use of the Committee on Public Works

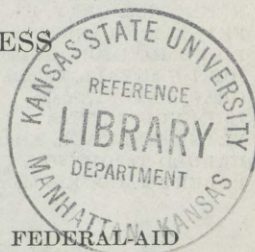


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The first part of the report deals with the general situation of the country and the progress of the work. It is followed by a detailed account of the various projects and the results achieved. The report concludes with a summary of the work done and the prospects for the future.

The work has been carried out in accordance with the programme of work approved by the Council of the League of Nations. It has been a most successful one and has resulted in the completion of a large number of projects. The results of the work have been most satisfactory and have shown that the League of Nations is capable of carrying out a wide range of work in the field of international law and justice.

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FEDERAL-AID HIGHWAY ACT OF 1961

TUESDAY, MARCH 21, 1961

HOUSE OF REPRESENTATIVES,
COMMITTEE ON PUBLIC WORKS, SUBCOMMITTEE ON ROADS,
Washington, D.C.

The subcommittee met, pursuant to call, in room 1302, New House Office Building, at 10:20 a.m., Hon. George H. Fallon (chairman of the subcommittee) presiding.

Mr. FALLON. Ladies and gentlemen, the Subcommittee on Roads of the House Public Works Committee is meeting this morning for the consideration, and using as a vehicle H.R. 5200, which accepts, if adopted, the new cost estimates to complete the Interstate System by 1972.

(H.R. 5200 is as follows:)

[H.R. 5200, 87th Cong., 1st sess.]

A BILL To amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—FEDERAL-AID HIGHWAY PROGRAM

SEC. 101. SHORT TITLE.

This Act may be cited as the "Federal-Aid Highway Act of 1961".

SEC. 102. APPROVAL OF ESTIMATE OF COST OF COMPLETING THE INTERSTATE SYSTEM.

The estimate of cost of completing the Interstate System in each State, transmitted to the Congress on January 11, 1961, by the Secretary of Commerce pursuant to the provisions of section 104(b) (5) of title 23, United States Code, and published as House Document Numbered 49, Eighty-seventh Congress, first session, is hereby approved as the basis for making the apportionment of the funds authorized for the Interstate System for the fiscal years ending June 30, 1963, 1964, 1965, and 1966.

SEC. 103. REVISION OF AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SYSTEM.

Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of expediting the construction, reconstruction, or improvement, inclusive of necessary bridges and tunnels, of the Interstate System, including extensions thereof through urban areas, designated in accordance with the provisions of subsection (d) of section 103 of title 23, United States Code, there is hereby authorized to be appropriated the additional sum of \$1,000,000,000 for the fiscal year ending June 30, 1957, which sum shall be in addition to the authorization heretofore made for that year, the additional sum of \$1,700,000,000 for the fiscal year ending June 30, 1958, the additional sum of \$2,200,000,000 for the fiscal year ending June 30, 1959, the

additional sum of \$2,500,000,000 for the fiscal year ending June 30, 1960, the additional sum of \$1,800,000,000 for the fiscal year ending June 30, 1961, the additional sum of \$2,200,000,000 for the fiscal year ending June 30, 1962, the additional sum of \$2,400,000,000 for the fiscal year ending June 30, 1963, the additional sum of \$2,600,000,000 for the fiscal year ending June 30, 1964, the additional sum of \$2,700,000,000 for the fiscal year ending June 30, 1965, the additional sum of \$2,800,000,000 for the fiscal year ending June 30, 1966, the additional sum of \$2,900,000,000 for the fiscal year ending June 30, 1967, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1968, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1969, the additional sum of \$3,000,000,000 for the fiscal year ending June 30, 1970, and the additional sum of \$2,885,000,000 for the fiscal year ending June 30, 1971."

Mr. FALLON. We have as our first witness this morning Mr. Martin, Under Secretary of Commerce for Transportation, Department of Commerce.

Mr. Martin.

STATEMENT OF C. D. MARTIN, JR., UNDER SECRETARY OF COMMERCE FOR TRANSPORTATION, DEPARTMENT OF COMMERCE

Mr. MARTIN. Yes, sir, Mr. Chairman.

Mr. FALLON. Mr. Martin, H.R. 5200 only deals with the amounts and the new cost estimates. I understand that in the President's message he deals with other matters that are pertinent to this committee.

Mr. MARTIN. Yes, sir.

Mr. FALLON. And that is legislative matters other than the finance matter.

Mr. MARTIN. Yes, sir.

Mr. FALLON. We deal, of course, with the new cost estimates and, in addition to that, any other matters that are pertinent to the Subcommittee on Roads of the House Public Works Committee.

Mr. MARTIN. Yes, sir.

Mr. Chairman, I wanted to express the regret of Secretary Hodges to you and the other members of this committee that he could not be over here this morning. He sent his profound regrets. He has to be at the White House for a conference at 10:30 and he hopes he will have the opportunity to come over again at some time in the future.

Mr. FALLON. Yes, sir.

Mr. MARTIN. Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you to present the views of the Department of Commerce on H.R. 5200, introduced by Congressman Fallon.

The bill would accomplish two things: First, it would approve the latest estimate of the cost of completing the Interstate System as the basis for apportioning funds authorized for the Interstate System for fiscal years 1963 through 1966. Second, it would increase the amounts authorized to be appropriated for the Interstate System, so as to permit completion of the system in 1972, as originally planned.

The latest estimate of the cost of completing the Interstate System was carefully prepared by the State highway departments in cooperation with the Bureau of Public Roads, and transmitted to the Congress on January 11, 1961. The apportionment of 1963 interstate funds, which should be made later this year, cannot be made until the cost estimate has been approved by the Congress.

The cost estimate, as well as the estimate submitted to the Congress in 1958, makes it very clear that the total amount authorized by existing law is not sufficient to complete the Interstate System. However, the additional amounts which would be authorized by H.R. 5200 would be sufficient, under the latest cost estimate, to complete the Interstate System by 1972, as originally planned.

The President submitted a draft bill to the Congress on March 14, 1961, implementing his special message on highways, which incorporated the above-mentioned provisions. This draft bill also contained provisions for increasing authorizations for the Federal-aid primary and secondary systems and their extensions in urban areas by \$25 million every 2 years, beginning in 1964, until the \$1 billion level is reached and maintained; financing forest highways and public lands highways from the highway trust funds and authorizing the appropriation of funds for these highways at the present levels through 1972; extending for 4 years from July 1, 1961, the time within which States may execute agreements with the Secretary of Commerce for the control of outdoor advertising along the Interstate System and increasing the incentive bonus from $\frac{1}{2}$ to 1 percent; providing assurances of help to families displaced from their homes by the construction of Federal-aid highways; and increasing certain taxes so as to provide sufficient revenue to complete the Interstate System by 1972 on a pay-as-you-go basis; and continue other Federal-aid programs at an increased level.

In the past it has been the practice of the Congress to enact legislation to authorize funds every 2 years for the Federal-aid primary and secondary systems and their urban extensions. The appropriation of funds for these systems as proposed by the President's draft bill would be consistent with the approach used with respect to the Interstate System and would make it possible to accurately estimate the revenues necessary to meet the obligations of the highway trust fund during its existence.

The financing of forest highways and public lands highways out of the highway trust fund should be supported by the users out of the trust fund, since it is felt that these highways are of benefit primarily to the users. Authorizing the appropriation of funds for these highways at the current level through fiscal year 1972 would be in accord with the provisions to be applied to the primary, secondary, and urban systems. The amounts so authorized would be \$33 million for each fiscal year for forest highways, and \$3 million for each fiscal year for public lands highways.

Concerning the control of outdoor advertising, it is necessary under the present law for the State to enter into an agreement with the Secretary of Commerce before July 1 of this year in order to receive the incentive bonus. Only the State of Maryland has so far been able to enact the necessary State legislation and enter into the prescribed agreement. A few other States have enacted the necessary legislation, and a number of State legislatures are considering the matter. However, it is doubtful that many of them will be able to enter into an agreement by the deadline date. Extending the deadline date will give the States more opportunity to take appropriate action, and increasing the incentive bonus will be stronger encouragement for them to do so.

We should assume some responsibility in helping families displaced by highway projects locate suitable dwellings at reasonable costs.

The President stated in his letter of March 14, 1961, transmitting the draft bill to the Congress, that he was convinced that either stretching out or cutting back our highway program would be unwise. He further said that the legislation represented a sound method for resolving the difficulties which the highway program faces and for meeting our responsibilities in the future.

I recommend, therefore, that the draft bill submitted by the President to the Congress be enacted.

Mr. Rex Whitton, the Federal Highway Administrator, is here, and will provide further information concerning this program.

Mr. FALLON. Thank you very much, Mr. Martin.

Are there any questions from my right?

Mr. EDMONDSON. I have some for Mr. Whitton. I do not have any for the Under Secretary.

Mr. FALLON. Are there any questions on my left?

Mr. SCHERER. I note, Mr. Secretary, that you and the President recommended that the financing of forest highways and public-lands highways be paid in the future out of the trust fund. In that you are following the recommendation of the previous administration, are you not?

Mr. MARTIN. I am not clear what their position was on this, but I know that is the case now.

Mr. SCHERER. That was the position of the previous administration.

Mr. MARTIN. Yes, sir.

Mr. FALLON. If the gentleman will yield, I think it was their recommendation to this committee last year, and the committee turned it down.

Are there any other questions?

Mr. SCHERER. If we follow the recommendation, Mr. Secretary, of the President with reference to authorizing the appropriation of funds for the ABC system until 1972, as you indicated in your statement and as the President recommends, then Congress will lose control, will it not, over the ABC system until 1972? There will be no opportunity each 2 years for Congress to review the highway program.

Mr. MARTIN. No, sir. I think this has to do just with the amount of money authorized. It ups it \$25 million until the \$1 billion level is reached. I am not clear as to whether that precludes any review of the operation.

Mr. SCHERER. Heretofore Congress, insofar as the ABC system was concerned, each year took a look at the ABC system and then made its biennial appropriations or authorizations. Congress, if it followed your recommendation, would be precluded from so doing each 2 years; would it not?

Mr. MARTIN. I do not think that is the intent. I think it was the intent to up the authorization to the \$1 billion level. It is to provide more money for the ABC system.

Mr. SCHERER. There is no question about that.

Mr. FALLON. Will the gentleman yield?

Mr. SCHERER. Yes.

Mr. FALLON. In that case then it would be a recommendation that this plan be carried out, but there is no suggestion that we should continue the ABC system biennially like we have done in the past?

Mr. MARTIN. That is my understanding.

Mr. FALLON. I purposely left any figures out on the ABC roads, in this particular bill, because I thought we were just considering the firming up of the cost estimates. In addition to that we will consider any other amendments that might be suggested by the administration or the Secretary of Commerce on the Interstate System. Then we will wait until the regular time when we take up the ABC system, which will be next year, and authorize it for the 2 years as we have done in the past, so that we can review the whole system every 2 years.

Mr. SCHERER. Mr. Chairman, may I ask one question then?

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. However, Mr. Chairman and Mr. Secretary, the bill that the President did send to the Speaker, and which was referred to the Committee on Ways and Means, title I of that bill does provide an authorization from the highway trust fund for the ABC system for the years beginning 1964 and ending in the year 1972. It does not say in the bill that I have before me, that it is the intent of the Congress, but that bill says "that the Congress does hereby authorize and appropriate for the ABC system such sums * * *"

What I am trying to say is, if we follow the recommendation contained in the President's proposal it will remove from the committee during those years 1963-72 the opportunity to make authorizations such as we have been making every 2 years. It will prevent us from reviewing, at least the amounts or authorization for the ABC system.

Mr. FALLON. If the gentleman will yield, that is why I made the recommendation that we put off the consideration of anything in the ABC category until the regular Federal-aid bill comes up biennially, so that we would have a review of it every 2 years with regard to the money that might be authorized.

Mr. SCHERER. I am inclined to agree with the chairman. My own thinking is the same as the chairman's on that, but I note that there is a difference between at least your thinking and mine, and that of the administration which is contained in this proposed bill that has been sent up from the White House, which was not referred to this committee, but was referred to the Committee on Ways and Means.

I am wondering whether the administration would give consideration to changing its position and merely suggest that the Congress express an intent to appropriate in the next 7 years these amounts, rather than making it a direct appropriation? Do you follow me?

Mr. MARTIN. Yes, I think I do.

Mr. SCHERER. Here the administration in this bill, and in the message of the President to the Congress, recommends that the Committee on Public Works authorize from the year 1964 through 1972 certain specific amounts as set out in this bill for the ABC system. That is a departure from the practice that we have followed for many years, at least since I have been a Member of Congress.

As the chairman said, it would take away from the Congress, I think, and from the committee, the opportunity to review the ABC program at least each 2 years, and make its authorizations, as it has done heretofore. What I am wondering is whether we would not

be carrying out at least to some extent the wishes of the administration if, instead of making these authorizations direct, we merely say in the legislation that it is the intent of the Congress to make authorizations in the future in the amounts set forth in the President's proposed bill.

Mr. MARTIN. I do not think it was the intent to do that. If my memory serves me right, the discussion I heard on that point was that it was the idea to increase the funds that were going to be available for the ABC program, to up the amount and make more money available. That is as far as I can go.

Mr. SCHERER. I can find no particular fault with the thought that we should up the amounts as proposed by the administration for the ABC system until they reach the billion dollar figure in the year 1968. My only question, and I think the chairman's only question, is as to whether we should make the authorizations for those years and depart from the established practice. We wonder whether it would not be better merely in the legislation that we are going to pass to say it is the intent of Congress in these years to increase the amounts as recommended by the administration.

Mr. FALLON. Will the gentleman yield?

I think you will recall that the last ABC Act, or the one before the last one, is where we did that very thing. We authorized certain amounts for the 2 coming years and then recommended that Congress increase it by \$25 million until it reached \$1 billion. But we only authorized it for 2 years.

Mr. MARTIN. I see.

Mr. FALLON. And that is the idea I had, that we do the same thing in the next coming year when the regular ABC bill comes up before us.

Are there any other questions?

(No response.)

Mr. FALLON. Mr. Secretary, on behalf of the committee we express our appreciation for your taking the time to come here this morning.

Mr. SCHERER. Could I ask the Secretary one more question? I do not want to labor the point.

Mr. MARTIN. Yes, sir.

Mr. SCHERER. But I understood from your statement that the administration is absolutely opposed to any stretchout of this program?

Mr. MARTIN. Yes, sir.

Mr. SCHERER. That is right?

Mr. MARTIN. We are opposed.

Mr. SCHERER. Did you see the statement made in the press by one of the members of the Ways and Means Committee that that committee was considering a stretchout of the program? Did you see that statement?

Mr. MARTIN. I had heard that, Mr. Scherer. I have not read the statement. I am familiar, though, with it.

Mr. SCHERER. And that that committee was considering, or some members of the committee, at least, were considering perhaps the changing of the formula from 90 Federal and 10 State to something different.

Mr. MARTIN. No, sir; I did not see that. I would imagine they have had all sorts of proposals in the last few days.

Mr. SCHERER. I realize they cannot do it, but maybe—

Mr. FALLON. I think that probably is in the hands of this committee in respect to the formula and the time authorization.

Mr. SCHERER. You would not think so after having sat and listened to the Ways and Means Committee.

Mr. FALLON. I have to agree with you, but they were reminded several times that that was not in their jurisdiction, and some of the things that have been testified about there.

Again I wish to thank you very much, Mr. Secretary.

Mr. MARTIN. Thank you, sir.

Mr. FALLON. Mr. Whitton and Mr. Turner.

Mr. WHITTON. Mr. Chairman, may I bring Mr. Turner up?

Mr. FALLON. Yes, sir. We are very glad to have you here again. It has been some time since you have been here. I think you were testifying for the American Association of State Highway Officials at the time, and you were, I think, the president of that association.

We want to welcome you back in your new position and congratulate the administration for selecting such an outstanding highway man.

STATEMENT OF REX WHITTON, FEDERAL HIGHWAY ADMINISTRATOR; ACCOMPANIED BY FRANK C. TURNER, DEPUTY COMMISSIONER, BUREAU OF PUBLIC ROADS

Mr. WHITTON. Thank you, Mr. Chairman. You are very kind.

Mr. SCHERER. May I say at least this member of the minority and quite a few others agree with the chairman on his views of your selection as Highway Administrator.

Mr. WHITTON. Thank you, Mr. Scherer.

Mr. JONES. Mr. Chairman, may I say to Mr. Whitton that you are enjoying a rare occasion in this committee, because these hearings have always started off in the most peaceful, quiet, and tranquil manner. You come back in about 3 days from now and you will be able to see how this committee actually works.

Mr. SCHERER. You mean after the Highway Administrator has his honeymoon.

Mr. WHITTON. Mr. Scherer, I am enjoying the honeymoon, but I feel the approaching end of it. Not just here today, but in previous days.

Mr. Chairman and members of the committee, I am happy to be back and have the opportunity of presenting our recommendations to this committee. With your permission I would like to read a brief general statement on the status of the Federal-aid highway program, with particular reference to authorization schedules for completion of the Interstate System by 1972 and continuation of the ABC program at a slightly increased level. This statement also covers other matters of interest to the committee including legislative proposals to carry out the President's recent special message on highways.

Let me say at the outset that the highway program is on schedule in relation to the revenues available in the highway trust fund. Revenues accruing to the fund since July 1, 1956, have totaled \$10.061 billion, and expenditures have totaled \$9.916 billion. On March 1, 1961, the balance in the highway trust fund was \$145 million.

More than 10,440 miles of the Interstate System are now open to traffic, as shown on the attached map, which is also included with the statement. This total includes 5,135 miles adequate for 1975 traffic, 3,041 miles adequate for today's traffic, but requiring further improvement before 1975, and 2,264 miles of toll roads incorporated in the system as authorized by the 1956 legislation.

I might add to this statement a little bit in that we are now getting some long stretches of interstate mileage built as part of the Interstate System which can be used by traffic. I might point to the one across the lower South Side of Michigan from Detroit west to the lakes. There is a long stretch of highway which is now open and serves as a guide or as an example of what will be done on the Interstate System.

I think with respect to these sections of highways, as we complete them the public will be greatly pleased by them and will so express themselves.

There are many other sections over the country where this is occurring, and I have not mentioned Missouri, you see.

In addition to the sections open to traffic, 4,126 miles of the Interstate System were under construction on December 31, 1960, and engineering or right-of-way acquisition was underway on 10,032 miles. Thus on December 31, 1960, some form of work was completed or underway on 24,598 miles, or about 60 percent of the 41,000-mile Interstate System.

The status of improvement of the Interstate System as of December 31, 1960, is shown by States in the attached table I.

Interstate projects totaling \$4.7 billion, of which \$4 billion are Federal funds, have been completed since July 1, 1956. The completed projects include construction contracts at a total cost of \$3.7 billion, of which \$3.2 billion are Federal funds, and engineering and right-of-way acquisition totaling \$1 billion, of which \$0.8 billion are Federal funds.

Interstate projects underway or authorized on December 31, 1960, totaled \$5.2 billion, of which \$4.5 billion were Federal funds. The work underway included construction contracts totaling \$3.2 billion, of which \$2.9 billion were Federal funds, and engineering and right-of-way acquisition totaling \$2 billion, of which \$1.6 billion were Federal funds.

The status of active and completed projects financed from Federal-aid interstate funds is shown by States in the attached table II.

For the ABC program, including the program financed from the special funds authorized by section 2(a) of the Federal-Aid Highway Act of 1958, projects have been completed since July 1, 1956, at a total cost of \$7.5 billion, of which \$3.9 billion are Federal funds. The completed projects include nearly 113,000 miles of construction contracts, at a total cost of \$7 billion, of which \$3.7 billion are Federal funds, and engineering and right-of-way acquisition totaling \$0.5 billion, of which \$0.2 billion are Federal funds.

ABC projects were underway or authorized on December 31, 1960, totaling \$2.8 billion, of which \$1.5 billion were Federal funds. The work underway included over 21,000 miles of construction contracts at a total cost of \$2.5 billion, of which \$1.3 billion were Federal funds, and engineering and right-of-way acquisition totaling \$326 million, of which \$171 million were Federal funds.

The status of active and completed projects under the ABC program is shown by States in the attached table III.

The Federal-aid highway program is being advanced at the level that can be supported from revenues accruing to the highway trust fund under present legislation. The 1962 fiscal year apportionments made last August 1 included an interstate apportionment of \$2.2 billion.

As shown in figure 1, interstate funds totaling \$25.440 billion have been authorized to be apportioned for the fiscal year through 1969. Under the pay-as-you-go provisions of section 209(g) of the Highway Revenue Act of 1956, an interstate apportionment of \$2 billion would be made this summer, for the fiscal year 1963, and the interstate apportionment for 1964, to be made next year, would be reduced to about \$1.5 billion, as shown on the chart. Subsequent fiscal year apportionments would range from \$1.5 billion upward, with a balancing apportionment of \$1.625 billion for the fiscal year 1970.

As is also shown in figure 1, the revenues expected to accrue to the highway trust fund under existing legislation are adequate to cover disbursements totaling the \$25.440 billion authorized for the interstate program, with an estimated surplus of \$2.318 billion after meeting requirements for continuing the ABC program at the \$925 million annual rate authorized for the fiscal years 1962 and 1963.

This is a sizable program, but this rate of advancement will not complete the Interstate System by 1972. Additional interstate authorizations totaling \$11.56 billion are needed for completion of the \$37 billion program in accordance with the cost estimates submitted to the Congress last January pursuant to the provisions of section 104(b)(5) of title 23, United States Code, and published as House Document 49, 87th Congress, 1st session.

The new 1961 Interstate System cost estimate of \$41 billion, of which \$37 billion is the estimated Federal share, is the same total amount as was estimated in 1959, based on the 1958 estimate plus other supplemental costs. However, the new 1961 estimate includes related interstate program costs for State highway planning and research and for Bureau of Public Roads administration and research, in order that the Federal funds required for these items will be accounted for in the estimates of total future financing requirements. Inclusion of these costs without exceeding the amount based on the 1958 estimate is possible because of a reduction of about \$1 billion in the indicated cost of constructing the Interstate System submitted in the 1961 report as compared to the estimate submitted in January 1958.

The 1958 and 1961 estimates of cost for completion of the Interstate System are both higher than the original 1955 estimate for several reasons. The 1955 estimate was of necessity a preliminary estimate because of the limited time available for its preparation. Also, the 1955 estimate is not comparable to the 1958 and 1961 estimates in several respects. A summary statement relating the original 1955 estimate to the 1958 and 1961 estimate is provided in table IV attached to this statement.

The 1961 cost estimate for completion of the Interstate System was carefully prepared by the State highway departments in cooperation with the Bureau of Public Roads. It is recommended that

the estimates and apportionment factors shown in table 5 of the 1961 cost estimate report be approved by the Congress for use in apportioning interstate funds for the fiscal years 1963, 1964, 1965, and 1966. The apportionment of 1963 funds later this year cannot be made until the 1961 cost estimate and apportionment factors have been approved by the Congress.

The program for completion of the Interstate System as proposed by the President is shown in figure 2.

Under this proposed program, the interstate apportionments total \$37 billion. An interstate apportionment of \$2.4 billion for the fiscal year 1963 would be made this summer, and the apportionments for succeeding fiscal years would gradually increase to a maximum of \$3 billion for each of the fiscal years 1968, 1969, and 1970, with a balancing apportionment of \$2.885 billion for the fiscal year 1971.

The funds provided by these apportionments would be disbursed by the latter part of the calendar year 1972. The additional revenues required for this program total \$9.74 billion, based upon increasing the regular ABC program to a maximum of \$1 billion annually and providing for other programs as recommended in the President's special message.

The increases in revenue accruing to the highway trust fund under the provisions recommended in the President's special message to the Congress are required to finance this program on the pay-as-you-go basis prescribed by section 209(g) of the Highway Revenue Act of 1956.

Estimated annual apportionments, disbursements, revenues, and trust fund balances for this proposed program are shown in table V. Approximate apportionments of interstate and ABC funds for the fiscal year 1963 are shown in table VI.

I would like to present two comparisons of this expanded program with the program under present legislation, covering interstate apportionments and revenues.

A comparison of interstate apportionments under present and proposed programs is shown in figure 3.

Under the present program, interstate apportionments totaling \$25.440 billion would be made for the fiscal years through 1970. Apportionments have already been made for the fiscal years through 1962. Under the pay-as-you-go provisions of section 209(g), the apportionment to be made this year for the fiscal year 1963 would be reduced to \$2 billion, and the apportionments for the fiscal years 1964 and 1965 would be further reduced to \$1.5 billion for each year.

Mr. SCHERER. Could I interrupt there and ask a question?

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. If the Congress provides the money recommended by the administration, the additional \$9,700 million, then we could keep section 209(g), known as the Byrd amendment, without any adverse effect on the construction program, could we not?

Mr. WHITTON. Yes, sir.

Mr. FALLON. I do not know whether it is the same thing, but it is a different language. Could you eliminate contract control?

Mr. WHITTON. That, Mr. Chairman, is problematical at this time. I think there is a possibility that we could. Perhaps not the first year, but shortly thereafter. That is a personal opinion.

Mr. SCHERER. For all practical purposes, you could eliminate contract control if we made the authorizations as recommended by the President through 1972, and then provided the money as requested to take care of those authorizations. There would be no necessity for contract control except perhaps for the first year.

Mr. WHITTON. For practical purposes I would say yes, but I would say that we might have to control it the first year.

Mr. SCHERER. The first year?

Mr. WHITTON. Yes.

Mr. SCHERER. That is in the transition period.

Mr. WHITTON. In the transition period, until we saw or actually had some actual experience under the expanded program financed by the additional revenues.

Mr. JONES. Just what is contract control?

Mr. WHITTON. Mr. Jones, that is telling the States how much they can put into contract in any one quarter of a year. The apportionment may be 2.2, but we have of necessity had to hold that down somewhat to be sure that we had the money in the bank when the contractor and the State submitted their invoices.

So we have to control the rate of commitment by contract by the States.

Mr. JONES. To the total amount of money you have available for the States.

Mr. WHITTON. Yes.

Mr. SCHERER. We had to do that up to this point because there was not a sufficient amount of money coming into the trust fund under the present law.

Mr. WHITTON. That is right.

Mr. SCHERER. But what the President seeks to do by these recommendations as to financing and as to authorization is to avoid contract control and still keep it on a pay-as-you-go basis.

Mr. WHITTON. That is right.

Thenceforth the fiscal year apportionments would gradually increase to a maximum of \$1.9 billion for the fiscal years 1968 and 1969, with a balancing apportionment of \$1.625 billion for the fiscal year 1970.

These are the maximum apportionments that could be made for the interstate program with pay-as-you-go financing under present legislation.

In contrast, the proposed program would provide for \$11.56 billion of additional apportionments, for a total of \$37 billion. The apportionment to be made this year for the fiscal year 1963 would be increased to \$2.4 billion and thenceforth the annual apportionment would increase progressively to a maximum of \$3 billion for the fiscal years 1968, 1969, and 1970, with a balancing apportionment of \$2.885 billion for fiscal 1971.

In addition to these interstate apportionments totaling \$37 billion, the proposed program provides for ABC and other programs totaling \$17.010 billion through fiscal 1972, as shown in table V.

Future apportionments of ABC funds would be made in the amount of \$925 million for fiscal 1963, \$950 million for the fiscal years 1964 and 1965, \$975 million for the fiscal years 1966 and 1967, and \$1 billion annually for the fiscal years 1968 through 1972. Apportionments

in these amounts, involving increases of \$25 million every 2 years beginning with the apportionment for the fiscal year 1964, which would be made in the summer of 1962, are considered desirable to keep the ABC program in balance with the expanded interstate program.

The other programs recommended for financing from the highway trust fund in the amount of \$41 million annually include \$33 million for forest highways and \$3 million for public lands highways, as recommended in the President's special message, and an estimated \$5 million for emergency relief in the repair of highways damaged by floods or other disasters which would continue to be financed from the highway trust fund. The forest highway system totals 24,891 miles, and practically the entire mileage either is on one of the Federal-aid systems at the present time or could be placed on one of the systems at the recommendation of the State. All improvements financed from public lands highway funds are located on the Federal-aid systems. Under these circumstances it is appropriate that these programs be financed from highway trust fund revenues as proposed in the President's special message.

The second comparison relates to trust fund revenues under present and proposed legislation, as shown in figure 4.

Revenues under present legislation are estimated to total \$42.803 billion through 1972. This total includes transfer of an estimated \$2.492 billion from the general fund to the highway trust fund during the fiscal years 1962, 1963, and 1964, consisting of one-half of the 10-percent tax on automobiles and five-eighths of the 8-percent tax on automotive parts and accessories, as provided by the Highway Revenue Act of 1959.

Estimated revenues under the proposed program would provide an additional \$9.740 billion through 1972, for a total of \$52.543 billion. This \$9.740 billion of additional revenue is a net increase after proposed rescission of transfers from the general fund provided under existing legislation for the fiscal years 1962, 1963, and 1964.

The estimated total revenues under the President's proposal would meet financing requirements for the \$37 billion interstate program and for the ABC and other programs.

I would like to mention at this point the studies and investigations of the Federal-aid highway program which are being conducted by a special subcommittee of this committee under the chairmanship of Representative John A. Blatnik.

The Bureau of Public Roads and the State highway departments have followed these investigations and hearings closely. The findings to date have shown the need for tightening our procedures and practices in some areas of the Federal-State partnership. Where instances of irregularities have been turned up, either by the Blatnik committee, the States or the Bureau, we have acted promptly to prevent their recurrence.

These instances are unfortunate. Such instances in any amount, although relatively few, are most deplorable and cannot be condoned.

We are dedicated to eliminating opportunities for fraud, collusion, and corruption in the Federal-aid highway program. We have a Project Examination Division which is continually checking our own operations and those of the highway departments. It has worked closely with the Blatnik committee.

We have greatly tightened our inspection procedures to insure against shoddy or inadequate construction. We have directed our Bureau personnel to tighten up inspections to the necessary level to accomplish this. The Bureau is conducting a thorough training course for its field engineers, the men who make the inspections of State highway work. We recently completed schooling the third group of these engineers from all over the United States in the kind of detailed inspections we are requiring. I came to Washington from a State highway department and I know that the Bureau of Public Roads has substantially increased its efforts to insure that the work done on the Federal-aid systems meets the standards and specifications and that the public gets full value for its dollar.

We have also taken special notice of the problems involved in right-of-way acquisition. We realize that this is a fertile field for manipulations and we have taken steps to limit the possibilities of fraud and profiteering in this area. For example, we require that the State must have title to property or right of possession before a contract is approved for construction. The only exception to this policy is where public interest dictates otherwise. We further believe that in most cases salvable buildings should be cleared from the right-of-way before the job is turned over to the contractor.

In short, we are doing everything possible in the Bureau, and we are encouraging the States in every way possible, to reduce irregularities and the possibility of irregularities to the absolute minimum. We want to do this job for the people and for the Congress in the way that Congress wants it done.

Mr. SCHERER. May I ask a question there?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. These procedures which you have just testified to, Mr. Whitton, of tightening up inspections, and so forth, they have been going on for quite some time, have they not?

Mr. WHITTON. Yes, sir. To my knowledge they have and they will continue to go on as new developments occur.

Mr. SCHERER. In fact, some of them were going on before you took over as Highway Administrator.

Mr. WHITTON. Oh, yes, sir. Absolutely. I experienced them back in Missouri.

Mr. SCHERER. All right.

Mr. WHITTON. Proceeding to other phases of the President's proposal, we are facing a serious problem in the displacement of families caused by construction of Federal-aid highways. This problem is becoming increasingly more acute.

When such families are required to move, it is only fair and proper that they should have the opportunity of occupying housing that is decent, safe, and sanitary, that is within their financial means, and that is in reasonably convenient locations. Furthermore, they should be afforded assistance where necessary in order to minimize the hardships involved in finding a suitable dwelling in which to live. I therefore subscribe fully to the proposal of the President that our Federal-aid law be amended to require assurance of help to these families in their effort to find relocation housing that would be in line with these standards.

Mr. JONES. Mr. Chairman, may I ask a question?

Mr. FALLON. Mr. Jones.

Mr. JONES. Do you take into consideration the relocation of businesses and manufacturing plants, as well as families?

Mr. WHITTON. Mr. Jones, I would like to defer a discussion of the details of this recommendation until we have had more time to study this recommendation of the President. The time that has elapsed since his recommendation and the meeting of the committee has not been sufficient in our judgment, along with other work we have been doing, to enable us to study this problem.

I would like to pass up answering your question at this time, or any other questions having to do with the details of what will be involved in implementing the President's recommendation.

Mr. FALLON. Will the gentleman yield?

Mr. JONES. Yes. I have only that one question.

Mr. FALLON. Mr. Whitton, will there be any possibility of getting an estimate of the cost of the relocation?

Mr. WHITTON. Of course, that will have to be estimated, Mr. Chairman, but until we can find out what is involved we cannot very well estimate it.

Mr. FALLON. You do not have any estimate on it now?

Mr. WHITTON. We have none.

Mr. SCHERER. Will the chairman yield?

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. There is one thing, I think, that should be cleared up at this time among those people who are interested in highway legislation. I think there is a misunderstanding as to what the President intended. Some people say that it means that the cost of moving these families, or relocating businesses, should be borne by the trust fund. Others interpret his message to mean, or the legislation he submitted to mean, that only the administrative costs for supervising or conducting such a program, should come out of the trust fund.

You can readily see that the difference in the cost of paying for the administrative phases of such a program as the President recommends would be infinitesimally small as compared to the cost of assisting families in relocating. I would consider personally favorably taking the cost of administrative details for this program out of the trust fund, but I know I would oppose taking from the trust fund the actual relocation costs.

Have you answered the question?

Mr. WHITTON. No, sir.

Mr. SCHERER. As to whether the President's proposal is to pay for the administrative costs of the program only rather than to pay the costs of the actual relocation of families?

Mr. WHITTON. That, Mr. Scherer, is what we want to work out. What it does contemplate. We are not able to answer your question at this time.

Mr. EDMONDSON. Will the gentleman yield?

At the top of page 12 of the prepared statement it is pretty clearly stated that the Government should assume its proportional share of the cost of such advisory services as part of the cost of the construction of the highway project.

Mr. SCHERER. That is the reason why I asked the question because it is not clear. Even the Administrator's staff does not know, whether

the President refers to advisory costs, or administrative costs, or whether it refers to actual relocation costs. You remember we discussed this matter on the committee 2 years ago. In fact we had an amendment to provide for the cost of moving families. That would run into astronomical figures and I think it would just kill this program if we got into that.

So I think at the very outset we should have a clear understanding of what the President actually intends. My own personal opinion is he merely intends that the trust fund should be subject to the payment of administrative costs of such a program.

Mr. WHITTON. Again, Mr. Chairman, we need some time to determine what the internal interpretations are to be. We will be glad to make that recommendation to you.

Mr. FALLON. You may proceed, Mr. Whitton.

Mr. WHITTON. A few States and localities already have provision for offering various forms of assistance to displaced families. However, only by enactment of legislation at the Federal level can we hope to approach this phase of the problem throughout all of the States whereby families will have assurances of help in finding another suitable location. The cost of such advisory services should be nominal in relation to the benefits afforded—and it is believed that the Government should assume its proportional share in the cost of such advisory services as part of the cost of the construction of the highway project.

Relocation services for displaced families affected by urban renewal projects are provided by the Federal urban renewal legislation, which is administered through local public agencies. Where such agencies exist, it is expected that their cooperation could be obtained and their experience utilized toward accomplishing the desired objective. Where they do not exist, administration of the proposal may be more difficult, but it is believed that it can be worked out.

The President has directed the Housing and Home Finance Administration and the Department of Commerce to intensify their joint planning and coordination efforts and to invite State and local cooperation among highway and housing officials and others.

Continuing efforts are being made by the State highway departments and the Bureau of Public Roads in developing a cooperative and coordinated approach to the complex problems of highway planning in urban areas.

In November 1956 the Joint Committee on Highways of the AASHO and the American Municipal Association inaugurated a continuing program to develop better understanding and appreciation by State and local officials of the separate and mutual problems involved in the expanding highway program. It has done a great deal to promote a spirit of cooperation between municipal officials and State highway departments in developing mutually satisfactory solutions to the critical highway and transportation problems in urban areas.

Mr. JONES. Do you see any evidence of that cooperation between municipalities and the State highway departments, Mr. Whitton?

Mr. WHITTON. Very definitely, sir.

Mr. JONES. I have heard a number of complaints that the planning officials of municipalities and the State highway departments are having difficulty in resolving the problems that arise. I just wondered if that is characteristic, or if this is a general condition that exists?

Mr. WHITTON. I certainly do not think so, Mr. Jones. I do not think it is general. I think it is isolated. It may be more than I know of, but I think it is being decreased, and it is being decreased by the activity of this joint committee composed of the American Municipal Association and the Association of State Highway Officials. I think we will reduce it to a minimum. I do not say we will get rid of it entirely.

Mr. JONES. I certainly think this is a very important phase of the highway program.

Mr. WHITTON. Yes, sir.

Mr. JONES. Because without it we cannot make the proper utilization of traffic patterns as they follow the life of the community.

Mr. WHITTON. That is right.

Mr. JONES. Unless they take into account the use of the highways with respect to the users, we are going to fail in our mission of having a coordinated and well-balanced program.

Mr. WHITTON. I could not personally agree more, and I go into some further details as to what we are doing, Mr. Jones, later on.

Mr. SCHERER. Will you yield on the issue you just discussed?

Mr. JONES. Yes.

Mr. SCHERER. The Blatnik committee 2 weeks ago had before it a man whose name I believe is Mr. Balfour from the California State Highway Department.

Mr. JONES. Yes.

Mr. SCHERER. Who is in charge of right-of-way acquisitions?

Mr. JONES. I heard his testimony.

Mr. SCHERER. His testimony was to the effect that if local communities and State highway departments are given sufficient lead time they have no problem in relocating these families. The program followed by the State of California seems to have solved this problem of relocation without any additional cost being attached to it, or being taken from construction funds that would otherwise be used for the highways. So it seems to be a matter of planning and cooperation rather than having the Federal Government contribute funds to such programs.

Mr. JONES. My point, Mr. Scherer, was with respect to the actual planning and taking into account by the highway officials the traffic patterns as to how they were going to affect urban use in our larger cities. For instance, here in the District of Columbia all you have to do is walk out the front of this building and you will see a dispersal of all forms of traffic, but principally trucks using the access to the Capital of the United States. It is all congested with trucks to the extent where you cannot move. Your traffic movement is just halted. This should not be a truck thoroughfare. It is not making use of the Federal City properly to carry out the origin and destination of all the traffic.

To accomplish that there should be adequate municipal planning. That is the point that was occupying my mind in this discussion.

Mr. SCHERER. Of course, there are these programs afoot in the various municipalities. I come from an industrial section and I know there are programs to conduct or establish these surveys for the purpose of doing what you said, Mr. Jones, and also to establish transportation studies. The only problem is that in many of these areas they want to hold up the building of highways until these studies can be completed. I am afraid if we hold them up in certain areas too long we might compound the traffic problem.

Mr. FALLON. If you will permit me, Mr. Scherer, on Thursday we have a managing director of the city of Philadelphia appearing as a witness before us. He will be representing the American Municipal Association. I think maybe if these questions are propounded to him in reverse we may be able to get some information on the subject.

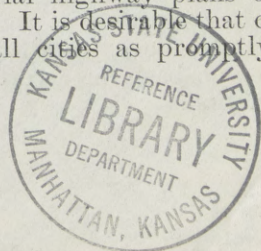
You may proceed, Mr. Whitton.

Mr. WHITTON. As a member of that committee, that is, the joint committee between the American Municipal Association and the American Association of State Highway Officials, I have the highest regard for the competence and sincerity of its members and the effectiveness of their efforts. This committee had much to do with the success of the Sagamore Conference on Highways and Urban Development, held at the Syracuse University Sagamore Conference Center in October 1958, which brought together highway officials, city officials, planners, businessmen, educators, and others, and produced guidelines for urban transportation planning that have been endorsed by the Bureau of Public Roads and widely adopted by State and local officials.

It was as a result of this conference that AASHO created the Special Committee on Urban Planning Seminars of which I was privileged to serve as chairman. I am glad to say that the AASHO has organized for continuing action in this area by establishing a Standing Committee on Urban Transportation on which all State highway departments and the Bureau of Public Roads are represented.

The success of this cooperative approach is evidenced by the continuing transportation planning activity being carried on in nearly all metropolitan areas under State and local sponsorship. The two great cities of my home State of Missouri, St. Louis and Kansas City, are but two examples of the way in which cooperation in planning pays off in mutually satisfactory action programs.

During the past year an inventory of urban planning as related to highways was conducted by the Bureau of Public Roads with the cooperation of the State highway departments. Reports from 937 urban places showed that all cities of 250,000 or more population and 85 percent of the cities of 10,000 or more population had some type of urban plan existing or underway. In 76 percent of the cities reporting there were comprehensive plans which include economic base studies, existing and future land use, all types of public works programs, zoning, financing, and transportation plans. An additional 3 percent had transportation plans, covering all transportation systems and various forms of mass transit, as well as the major street and highway systems. Six percent of the cities had urban arterial highway plans only, covering major street and highway systems. It is desirable that comprehensive type plans be developed by all cities as promptly as possible.



A summary of the inventory of urban planning is shown in table VII, by population groups and type of plan.

The President has recommended that the present law relative to the control of outdoor advertising be amended to give the States additional time within which to take advantage of the incentive bonus provision, and that the incentive bonus be increased from one-half of 1 percent to 1 percent of the Federal share of the cost of construction.

The Congress has declared it to be in the public interest to encourage and assist the States to control outdoor advertising in areas adjacent to the Interstate System for the purpose of promoting the safety, convenience, and enjoyment of public travel and the free flow of interstate commerce, and to protect the public investment. If this objective is to be accomplished, it is necessary that most if not all of the States control outdoor advertising consistent with the national policy. However, under the present law, in order for a State to obtain the incentive bonus provided by Federal law, it must enter into an agreement with the Secretary of Commerce before July 1 of this year.

Controlling outdoor advertising consistent with the national policy requires State legislation, and so far only the State of Maryland has been able to enact the necessary State legislation and enter into the prescribed agreement. Five other States have enacted legislation which, based upon our initial review, appears adequate to enable those States to control outdoor advertising consistent with the national policy. Those States are Connecticut, Kentucky, North Dakota, Virginia, and Wisconsin. Kentucky, North Dakota, and Wisconsin are actively negotiating for the prescribed agreement with the Secretary of Commerce. We understand that Virginia wishes to obtain an amendment to its law before entering into such an agreement. The Virginia Legislative Assembly does not meet until next year.

A total of 44 State legislatures have met so far this year. Eleven of the legislatures have adjourned. Of the 33 legislatures still in session, about 15 are considering legislation on the control of outdoor advertising.

Even if some or all of these States enact such legislation it is questionable whether the necessary agreements with the Secretary of Commerce could be processed and executed within the 90 days or so remaining before the deadline of July 1, 1961. Extending the deadline date will give the States more opportunity to take appropriate action on this subject, and increasing the incentive bonus will be stronger encouragement for them to do so.

The program recommended by the President which I have described here today would complete the interstate program by 1972 while increasing the ABC program by \$25 million every 2 years beginning in 1964 until the \$1 billion annual level is reached. I am sure that to stretch out or cut back the program is not a satisfactory solution, and that the administration's proposals offer the most practicable and equitable means for reaching the objectives of the highway program.

I believe the public interest requires completion of the Interstate System by 1972 in accordance with the original timetable, together with continuation of the ABC program at a somewhat increased level. I believe, too, that the program should be financed on a pay-as-you-go basis in accord with the general principles of the 1956 legislation.

There is ample existing engineering, contractor, equipment, and materials capacity to handle a program of this size with efficiency, integrity, and economy.

Obviously, the program should advance at a prescribed rate. An orderly, well managed program is conducive to efficiency, for the State highway departments, for contractors, and for suppliers of equipment and materials. If we can anticipate the amount of work to be done annually, the cost of doing it will be lessened. We will get more for our highway dollar.

The President's proposal provides such a program and the means to finance it. I recommend its adoption by the Congress.

Thank you.

Mr. FALLON. Thank you very much, Mr. Whitton. Are there any questions on my right?

Mr. SMITH. Mr. Whitton, what are the advantages of the plan to authorize the ABC expenditures throughout this full period?

Mr. WHITTON. It is my personal opinion that we needed to estimate the costs in order that we could provide the funds. I do not know that I would say that there are any advantages of its actual authorization in the law as of this time. I know that the President's message so recommended.

Mr. SCHERER. Will the gentleman yield? Do you think that the objectives of the administration could be accomplished if we merely set forth in the legislation that we are to pass this year, that it is the intent of Congress to appropriate these amounts during these years to the ABC system rather than making the outright authorizations, and thereby having the Congress, or this committee at least, lose control for the entire period over the ABC program?

Mr. WHITTON. Mr. Scherer, I am not authorized to speak for the administration, so I speak only for myself in saying that I think the intent of the Congress would then enable us to figure out the money needed to finance the ABC program and to provide for the apportionments of interstate funds year by year; because as you know, the financing of the ABC program comes out of the trust fund first.

Mr. FALLON. Mr. Whitton, if this committee and Congress continue to consider it on a biennial basis, would not that be a better method of keeping the relationship between the two systems, when we have a review every 2 years?

Mr. WHITTON. Mr. Chairman, I think it is very helpful for the Congress to review the program every 2 years, and we welcome the opportunity of making a report and discussing it with you every 2 years.

Mr. FALLON. It seemed to work very well in the past to consider it biennially, rather than to estimate what Congress will do. Nobody knows what another Congress will do when this one is gone, but it seems to me that we agree with you in regard to the apportionments on the ABC system up until 1972. I agree with you partially. I would rather see it increased \$25 million for the next few years until it reaches a billion dollars and then continue on from there. I was just wondering if when we consider it next year there might be some way of doing what was intended to be done by the Congress some years ago, that is, increase it by \$25 million a year, instead of \$25 million every other year, until the amount reached the \$1 billion mark.

Mr. SCHERER. As we all know, Mr. Chairman, this program has some opponents, and I am afraid if we attempt to make these authorizations for the ABC system as recommended by the administration all the way through to 1972, we are going to stiffen some of that opposition. We could relieve some of the opposition if we did not try to do that at this time.

Mr. FALLON. As a practical matter I think you are right, Mr. Scherer, because the number of Members of Congress who have Interstate System links either in or near their districts is probably much fewer than those who do not. So their interest primarily is in the ABC, farm-to-market, secondary roads. I do believe that it might be an opportunity for us next year to look at this again and perhaps see that there will be sufficient money to get it to \$1 billion much quicker than recommended by the President.

Mr. SCHERER. There is a great deal of opposition in Congress generally to making authorizations, which are practically appropriations, over an extended period of time. That whole group, who oppose this type of authorization or appropriation, I think will oppose this, and that opposition might attach to this highway program where there is so much controversy over the financing provisions such as this. I think we are just borrowing trouble for those of us who are interested in keeping this highway program going at the level provided in the 1956 act if we take this additional step.

Mr. FALLON. Are there any other questions?

Mr. BALDWIN. Mr. Whitton, I had a meeting with the State highway engineer of California last week in which they mentioned they were having difficulties with one section of the present Federal interstate highway law. It dealt with parking above or below the established facility. The question at issue was this: We had an amendment which was passed to the original law that allowed the use of the airspace above and below the established gradeline of the highways for parking motor vehicles when it did not interfere with the use of the system. The problem that arose, and their trouble was that in one or two cases they have some lodge, for example an Odd Fellows lodge, adjacent to the facility of the interstate highway route and the Odd Fellows lodge wanted to rent some space, including space under the facility, for parking.

They asked for an interpretation by the Bureau of Public Roads, and their interpretation was that this provision only allowed public parking and did not allow any State's division of highways to lease the piece of property for private parking, for a lodge, for example.

They have submitted to me, and I also understand they have submitted to and obtained agreement by the American Association of State Highway Officials to a proposed amendment which simply knocks out the words, "parking of motor vehicles" and authorizes the use, or permits the use of the airspace above and below the established gradeline of the highway pavement for such purposes as would not impair or endanger the highway facility, or interfere in any way with the free flow of traffic on the Interstate System.

I would just like to ask if the Bureau of Public Roads would have any objection to an amendment of this kind which, incidentally, is consistent with what the State of California would do on its own roads. It does not seem to me that we should bar some lodge, whether

it is the Odd Fellows or the Elks, or anyone else, from leasing property which is not otherwise used under a highway facility, for the purpose of parking, if it has a large building next door; as long as it does not interfere in any way with the operation of the system.

Mr. WHITTON. It is my opinion that the Bureau would have no objection. I would like to give it some study, but it is my opinion now we would have no objection.

Mr. BALDWIN. Thank you.

Mr. ROBISON. I have two questions, Mr. Whitton, both with respect to New York State. Governor Rockefeller has recently requested of President Kennedy whether or not some States, as an antirecession measure, could draw down on their Federal highway allocation in advance as soon as they could provide matching funds. This, sir, would complicate our present financing dilemma; would it not?

Mr. WHITTON. I do not believe I can answer that question right off. Of course, they could go ahead under a provision we have that a State can vote a bond issue or, if they have this money, they can go ahead and build the road and then be reimbursed when their money would come due at some later time.

Mr. ROBISON. But that would be under section 115 of title 23. Is that right?

Mr. WHITTON. It is in the present law.

Mr. ROBISON. In that event they would have to put up all of the money for the cost of the project.

Mr. WHITTON. Right.

Mr. ROBISON. Including the Federal 90 percent share, and at some future date come back in for reimbursement to that extent. Is that right?

Mr. WHITTON. Yes. Some States are doing that.

Mr. ROBISON. A few States have done that to a limited extent?

Mr. WHITTON. Yes. Ohio and California.

Mr. ROBISON. One other question which may be somewhat premature but also affects New York State. Have you yet made any judgment yourself on the complex problem of reimbursement of toll roads that were incorporated into the Interstate System, which lost New York State some 500 miles?

Mr. JONES. The fifth amendment is not to be used before this committee.

Mr. WHITTON. I would hope that the Congress would provide money to complete the Interstate System by 1972 before we start using any available money for refunding. That is a personal opinion, Mr. Congressman. I am from Missouri, and we built some free roads, you see, out there. I am talking about it as a national highway problem now. We would think that the free roads ought to be considered along with toll roads, but we think that the greatest importance should be placed on completing the Interstate System as now designated, without slowing it down by refunding to States either for toll roads or free roads. That is a personal opinion.

Mr. ROBISON. Taking that personal opinion one step further, assuming you might agree with me, you being from Missouri and I from New York, that something in the way of an inequity might exist here, would you also give your personal opinion to this subcommittee on the point of whether you would hope the Congress would not lose sight

of this problem, and that it would at some time, when it could financially with responsibility, look at this program, that you would do so?

Mr. WHITTON. Yes. I would express that hope, provided they made the toll roads free when they refunded it for them, the same as the free roads are free now. As in Missouri, the States would like to get some of the money that has been put into roads that are now being used and which come up to Interstate standards.

Mr. SCHERER. Mr. Chairman, I think that the members of this committee readily understand why the cost of the Interstate System has increased since we passed the 1956 act, from \$27 to \$41 billion, but outside of this committee there are very few people, including the Members of Congress, who understand the reasons for that increase. Sitting in on the hearings before the Ways and Means Committee last week confirmed that opinion and that there is much misunderstanding and much opposition which arises to this program because of that misunderstanding.

I do not think that there is any place on the record where we have clearly set forth the reasons for that increase in cost. There are about four or five reasons, which all of us are fully aware of. I would like to have these reasons in the record so that we could use them here in the Congress and other places. I would like to have Frank Turner at this time state the reasons for the increase in costs. It is repetition I know but I do not know of any place in the record where it is clearly set forth. There are five specific reasons and I would like to have them in the record in order to have them before us. I make this request because there are some people who have said to me that the fraud that has been uncovered in the administration of the highway program is the principal reason why the cost has increased that much. We know that is not true but I think we should have it in the record.

Mr. Turner, would you enumerate the reasons for us just briefly?

Mr. TURNER. Mr. Scherer, they are shown pretty clearly in the table 4, which is included in Mr. Whitton's statement, which is in front of you, and which was read this morning. There is a detailed tabulation there showing the comparison between the 1955, 1958, and 1961 estimates. From that I think you can find a complete reconciliation of the differences in the cost. When the 1955 estimate was made, it was made as a result of the direction in the 1954 Federal-Aid Highway Act, as you well recall.

Section 13 of that act required us to make an estimate of the cost of completing all of the Federal-aid highway systems, not only the interstate, but the primary and secondary. At the same time an estimate was made for the completion of roads not on any of the Federal-aid systems. That was reported to the Congress, I believe, as House Document 120, 84th Congress, 1st session. In it is shown a total cost of almost \$300 billion for 30 years. The estimate is divided into 10-year periods and the Interstate cost as shown in the report was the amount that was estimated to be needed for the 10-year period from 1954 to 1964. That is the \$27 billion that was used, and is shown as the first entry in this table 4 attached to Mr. Whitton's statement—\$27.6 billion is the total cost, of which \$25 billion is the Federal share and \$2.6 billion is estimated as the State share.

Mr. FALLON. Mr. Turner, would you tell me so I can understand it better—that estimate was on how many miles, for the Interstate System?

Mr. TURNER. It was made on something less than the then designated 40,000 miles.

Mr. FALLON. When you say something less, do you know how much less?

Mr. TURNER. Approximately 1,400 miles less.

Mr. FALLON. 1,400 miles less than the 40,000 miles?

Mr. TURNER. For round figures, let us say that it was on the basis of 36,300 miles, which the States estimated the cost for.

Mr. SCHERER. You said "something less" was 1,400 miles before.

Mr. TURNER. Let me go on a little bit, Mr. Scherer, and I think I can explain that to you.

Mr. SCHERER. Right.

Mr. TURNER. The States made a detailed cost estimate as best they could in about 6 weeks' time on a mileage that approximated 36,300 miles of the authorized 40,000. There was another 2,300 miles which had at that time not been designated. It had been reserved for additions at urban areas. We did not know where those additions would be. Naturally, we did not know what their cost would be. So we arbitrarily added an amount of \$4 billion to the estimate that had been made for the 36,300 miles. The \$4 billion was not an estimate but it was purely a figure taken out of the air, as best we could determine, and it was added to the approximately \$23 billion of detailed estimates. That was the way we arrived at the total of \$27.6 billion.

That brings up the mileage that was estimated, to about 38,600 miles, leaving another 1,400 miles, roughly, that was not included in that estimate at all. Subsequently it was included in the 1958 estimate.

In addition, there was in the 1956 act another 1,000 miles added to the authorized total for that system. That has been included in the subsequent estimates. That is the basic reason why the cost estimates of 1958 and 1961 are different from the 1955 estimate—because we are estimating a different mileage of system in the two cases.

Mr. SCHERER. Has it developed since the 2,300 miles of highway reserved for urban areas, which was estimated to cost \$4 billion—has it developed that it is actually going to cost approximately \$8 billion? Is that right?

Mr. TURNER. Probably double. To the extent we can identify the same 2,300 miles, it is about double.

Mr. SCHERER. That is one element.

Mr. TURNER. That is one of the elements. Yes.

Mr. SCHERER. Another element is the increase of 1,000 miles provided for in the 1958 act. Is that right?

Mr. TURNER. Yes, sir.

Mr. SCHERER. Another element is the fact that you did not estimate the cost of 1,400 miles in the original 40,000 miles. Is that right?

Mr. TURNER. Right. Then on table 4 you will also see detailed that in the 1955 estimate, or between the 1955 estimate and the 1958 estimate, there occurred a 5-percent increase in the estimated traffic to be accommodated on the system. One of the reasons for that is a longer base period. As I explained in the beginning the original

estimate had been made on the basis of needs between 1954 and 1964. The law directed us in 1956 to aim our estimates at adequacy in the year 1975. Naturally, with the growth of traffic occurring in the base period there had to be some increases in the estimated volume of traffic we had to build for.

Mr. SCHERER. You mean increasing the standards of construction?

Mr. TURNER. Not standards so much—

Mr. SCHERER. But the width of highways?

Mr. TURNER. The capacity of highways, generally in terms of lanes, and the volume of traffic assigned to the Interstate System. We estimated that as you will see in the table there, to have caused an increase of \$1.3 billion. The 1956 act directed us to give equal consideration to local needs along with those of interstate commerce. That had not been taken account of in the 1955 estimate, and it was a change added by the Congress itself in 1956.

That we estimated caused an increased volume of traffic to be accommodated on the system. It increased the need for interchanges and access highways and connections with the other systems, and we estimate it to have resulted in a cost increase of \$3.8 billion.

In addition, there was some increase in the cost generated by removal and adjustment of utilities, and some items that were overlooked in the initial 1955 estimates because they were made in such a hurry. That is estimated at \$800 million. We also used the base period of mid-1954 as the level of unit prices. For a number of reasons bid prices happened to be at a particularly low point at that time. The 1958 estimate used the base period of 1956 for prices. Between 1954 and 1956 there had occurred an approximate 12-percent increase in the unit bid prices of construction work of the type we were estimating. That accounts for \$4.1 billion increase. And as you have already said—

Mr. SCHERER. You might say that is due to inflation.

Mr. TURNER. You could call it that. It has been pointed out that the general level of prices did not increase in the same ratio in that same interval of time. That we know and appreciate, but as I said, we used the going price for highway work at the midpoint of calendar year 1954. Because of the fact that there had been apparently some rather marked decrease in contractor bid prices in the year or so immediately preceding that date, we found ourselves with a rather low base period for computing the prices, because we used mid-1954 as a base.

Mr. SCHERER. Did not the application of the Davis-Bacon provisions of the law on the Interstate System have something to do also with that 12-percent increase?

Mr. TURNER. It may possibly have had some effect on it, Mr. Scherer. We have no way of determining whether it did, or the amount by which it may have increased the cost. In addition, we did not include in the 1955 or 1958 estimate, the costs of the Bureau of Public Roads administration and the 1½ percent State highway planning and research moneys, and elements of that nature, because we felt at that time that they were not proper to be reported in that estimate.

In the discussion of the estimate in the Senate in 1958, however, the General Accounting Office insisted that those elements should be in-

cluded. So when we made the report this year we did include those items.

All of those things added together bring the estimate to \$41 billion total, of which \$37 billion is the Federal share and \$4 billion is the State share.

Mr. SCHERER. Thank you very much, Mr. Turner.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. Mr. Whitton, I had a discussion with Mr. Turner yesterday to get clearly in my mind what the Bureau of Public Roads' position is on the roadside rests in the various States. It is my understanding, and Mr. Turner has given me some material on it, that the Bureau of Public Roads has made an administrative interpretation that you can provide funds from the regular Federal share for the acquisition of right-of-way for roadside rests, and for the surfacing of the roadway required for the roadside rest. Is that an accurate statement of the position and the interpretation of the Bureau of Public Roads?

Mr. WHITTON. Yes.

Mr. BALDWIN. As I understand it, there is nothing in the law dealing with this, but this is purely an administrative interpretation?

Mr. WHITTON. Mr. Turner says that it is not spelled out as such on roadside rests, but we do feel we have administrative authority to do that type of work.

Mr. BALDWIN. Yes. Let me say I am in 100 percent agreement with it. I wanted to get it clear in my own mind. Let me get in one further question.

Of course, obviously, in addition to acquiring the right-of-way involved and the surfacing involved, certain facilities have to be built for a normal roadside rest, which would involve perhaps picnic tables and restroom facilities. What has been the position and the interpretation of the Bureau of Public Roads as to whether or not Federal funds can be used in sharing the construction cost of those facilities?

Mr. WHITTON. We have, as Mr. Turner said, shared on a modest scale. That could get out of hand too, so you know we have been rather modest in our anticipation in the cost.

Mr. BALDWIN. Then I interpret from that that in some cases your sharing has gone beyond purely the right-of-way and the surfacing, and in some cases you have gone beyond that and shared to a modest degree the costs of minimum facilities, such as restroom or picnic tables. Is that an accurate statement?

Mr. WHITTON. Yes. Or fireplaces.

Mr. BALDWIN. Thank you.

Mr. EDMONDSON. Mr. Chairman, I want to express my personal appreciation to Under Secretary Martin and to our new Administrator of Highways, Mr. Whitton, and of course, Mr. Turner for the very informative testimony they have given us. I particularly appreciated the vigorous assertion of their purpose to carry forward this program and to complete it by 1972, if at all possible, and to seek the funds necessary to make that possible.

I further appreciate the statements given on the subject of the stepup in the training for inspectors participating in the program, and the declaration of policy of the Department with regard to right-of-way costs.

On that one point, Mr. Turner's review of the items that have gone into the increased cost, I would like to get his comments on the testimony the other day from Mr. Phillips of the Bureau of Public Roads, that it is apparent that the total cost for right-of-way acquisition will be in excess of \$7 billion, and probably closer to \$8 billion, and that compares with an estimated original right-of-way cost of about \$5 billion.

I just wondered if we could have the comments of the two gentlemen who I believe would probably know more about this drastic increase in right-of-way costs than anyone else, that is, Mr. Turner and Mr. Whitton, too, if he would care to comment on it. Does the enlargement of this urban program account for most of this increase, or have we simply found that land values have been going up at this rate? What is the story behind that?

Mr. WHITTON. Well, Mr. Edmondson, I will have to talk from my experience in Missouri. There have been advances in the values ascribed to land when it gets in the way of a highway that I have noticed in Missouri. It has seemed to me that we have had to pay more, possibly because of the enhanced values of the land that come about when they find out that there is going to be a highway through there, and it is rather difficult to control. We have had qualified appraisers in our case, who were not highway employees necessarily, develop the values of the land by comparison with former sales and adjacent sales, and their knowledge of value, and then endeavored to negotiate our acquisition of the land on that basis. That is in both rural and urban areas. There are times, though, when we cannot settle with the owner on the basis of those appraisals, and it has to go to the courts.

It has been mostly our experience that there will be an increase on the appraised value when it goes to court.

Mr. EDMONDSON. We heard testimony the other day that there are 19 States in which the Bureau of Public Roads has only one man with responsibility for right-of-way acquisition and costs to the Federal Government, although we are paying 90 percent of those costs on the Interstate System roads. I think it was the feeling of a number of us at that hearing that you were badly undermanned in that particular area.

Mr. WHITTON. That could possibly be, Mr. Edmondson. However, I do know from experience at the local level that all of the appraisers, the men who do the appraising, are approved by the Bureau of Public Roads ahead of time as to their ability and qualifications. Then I also know that before a State can make any settlement for property it has to submit the appraisals to the local office of the Bureau of Public Roads for their approval of the appraisal figure. Then, after it has been approved and we actually settle, then the settlement has to be approved by the local office of the Bureau of Public Roads.

I know that is being followed out, but I would not say that we are staffed as fully as we should be, and we will look into that.

Mr. EDMONDSON. It seems to me if your man in these 19 States is doing anything other than checking, addition and subtraction, he has his hands mighty full.

Mr. WHITTON. I am sure there is clerical help to do that, but it is entirely possible one man is not enough, and we will certainly look into that. Frank can answer that question.

Mr. TURNER. With respect to the cost for the right-of-way element, Mr. Edmondson, the 1955 estimate included about \$5.7 billion for right-of-way, or roughly 21 percent of the total estimated cost.

Mr. EDMONDSON. That is a Federal cost?

Mr. TURNER. That is total. In the 1958 estimate the right-of-way was estimated to be 14 percent of the total estimated cost.

Mr. EDMONDSON. Do you know what that total is?

Mr. TURNER. I do not have the dollar value here, but it would be 14 percent of \$41 billion, again approximately \$5.7 billion. In the estimate of costs that was just submitted to the Congress this year we show a total of \$6.3 billion for right-of-way, or 16 percent of the total estimated cost.

Mr. EDMONDSON. In other words, you are saying that Mr. Phillips' testimony the other day was not accurate in the figures which he gave us? I think the figures which our records show are \$7.67 billion.

Mr. TURNER. No. I think he is probably including other elements in that, Mr. Edmondson. Probably some of the ABC program as well. I was not here and I didn't listen to the testimony, but I think he was probably including some ABC costs as well.

Mr. EDMONDSON. Then what you are saying is that if \$6.3 billion is the cost now for the Interstate System right-of-way, with more than 2,000 miles added since 1955, it would really come out to less right-of-way cost per mile than we had in 1955. Is that right?

Mr. TURNER. On a straight ratio basis; yes. We had a larger percentage of the total cost in 1955 assigned to right-of-way than we have at the present time.

Mr. EDMONDSON. That is completely at odds with Mr. Phillips' testimony, and it looks to me as if you are now saying that the per-mile cost of right-of-way is less than it was estimated to be in 1955. Is that what your figures bear out?

Mr. TURNER. Yes. These calculations would indicate that. On a per-mile basis. Yes.

Mr. EDMONDSON. And this despite the fact that we have had a sizable increase in the urban mileage of the program since 1955?

Mr. TURNER. Yes. But you must remember that we had a very sizeable amount of money included in the 1955 estimate for right-of-way. We had very little experience on right-of-way acquisition at that time, and on costs, and I am sure that the costs as estimated by the States for that one element are probably on the high side.

Mr. EDMONDSON. This is certainly a different view from the right-of-way cost picture which was presented to the Blatnik subcommittee about 10 days ago. I think it is one that will bear some further study by the committee because we certainly received an entirely different picture of the trend of right-of-way costs in that subcommittee hearing.

Mr. TURNER. I am sure that individual parcels are probably going up. That seems to have been the trend right along, all right, but because of a rather large amount included in the 1955 estimate for right-of-way, while the total is going up the percentage comes down because of the large increase in the total cost.

Mr. EDMONDSON. Did your 1955 estimate include right-of-way costs to the Federal Government on completed sections of road, such as the freeways and turnpikes that were just incorporated bodily into the system?

Mr. TURNER. No. It is the cost to complete the system as we then knew it. I think it would exclude sections already completed, or sections which were subsequently incorporated without cost.

Mr. EDMONDSON. I have no further questions, Mr. Chairman.

Mr. CRAMER. Mr. Chairman.

Mr. FALLON. Mr. Cramer.

Mr. CRAMER. Would you clarify this again? I missed the explanation of the 15-percent increase due to local needs estimated as part of the increased cost on table 4. What is included in that?

Mr. TURNER. The 1955 estimate was made on a different basis from the subsequent estimate in 1958 because of the requirement that was added in the 1956 act. As you recall, that required us to give equal consideration to interstate needs as well as local traffic needs. Because of that we had to make more connections to local streets and towns, and to local road systems. That required more structures and more interchanges and because of the greater number of access points, making it easier for local traffic to get on to the system, we thereby had a larger volume of traffic that we had to design for than we had anticipated in 1954. As a result of that, we estimated it will be about a 15-percent increase in the 1954 estimate of cost, or approximately \$3.8 billion in total.

Mr. CRAMER. Where did that requirement originate?

Mr. TURNER. The requirement originates in the 1956 legislation, if you are asking for the point in the Congress in which it originated—

Mr. CRAMER. That's right.

Mr. TURNER. In the Senate.

Mr. CRAMER. And that requirement was what? What was that provision?

Mr. TURNER. In the 1956 act, I think it is section 116. Do you have it in front of you there? I do not have a copy here in front of me, but I think it is section 116 of the 1956 act.

Mr. FALLON. Mr. Whitton, what effect would a stretchout have on this program?

Mr. WHITTON. Well, Mr. Chairman, I think it will increase the cost of the program because I think that the right-of-way will increase in cost as time goes on. It will also prolong the time till we will have the completed program available for the purpose of saving lives. There will be more people killed if we stretch out this program. There will be more accidents. Also, the good that will come to the economy of the country will be stretched out as well.

Mr. FALLON. In other words, it does not pay off its full economic benefits until it is completed?

Mr. WHITTON. That is right.

Mr. FALLON. And the longer you delay that, the less benefits you get out of it?

Mr. WHITTON. The longer it will take to earn or get the benefits.

Mr. SCHERER. If this program is completed then motor vehicles, including trucks, are going to have a great saving in operating costs, are they not?

Mr. WHITTON. That is very definitely my opinion.

Mr. SCHERER. A tremendous saving in operating costs?

Mr. WHITTON. That is right.

Mr. SCHERER. And if we stretch out this program we just delay the receipt of these savings in operating costs?

Mr. WHITTON. Both to the trucks and to the private automobile. To all vehicles.

Mr. FALLON. Could I ask the committee for unanimous consent to include the full statement of Mr. Whitton, including the tables. Also I would like to get unanimous consent to put in the record at this point 3 resolutions adopted unanimously by the 14 States comprising the Mississippi Valley Conference of State Highway Departments at its 55th annual meeting, March 16.

(The full statement of Mr. Whitton with attached tables is as follows:)

STATEMENT OF REX M. WHITTON, FEDERAL HIGHWAY ADMINISTRATOR, BUREAU OF PUBLIC ROADS, U.S. DEPARTMENT OF COMMERCE

Mr. Chairman and members of the committee, I appreciate this opportunity to appear before you. With your permission, I would like to read a brief general statement on the status of the Federal-aid highway program, with particular reference to authorization schedules for completion of the Interstate System by 1972 and continuation of the ABC program at a slightly increased level. This statement also covers other matters of interest to the committee including legislative proposals to carry out the President's recent special message on highways.

Let me say at the outset that the highway program is on schedule in relation to the revenues available in the highway trust fund. Revenues accruing to the fund since July 1, 1956, have totaled \$10.061 billion, and expenditures have totaled \$9.916 billion. On March 1, 1961, the balance in the highway trust fund was \$145 million.

More than 10,440 miles of the Interstate System are now open to traffic, as shown on the attached map. This total includes 5,135 miles adequate for 1975 traffic, 3,041 miles adequate for today's traffic but requiring further improvement before 1975, and 2,264 miles of toll roads incorporated in the system as authorized by the 1956 legislation.

In addition to the sections open to traffic, 4,126 miles of the Interstate System were under construction on December 31, 1960, and engineering or right-of-way acquisition was underway on 10,032 miles. Thus on December 31, 1960, some form of work was completed or underway on 24,598 miles or about 60 percent of the 41,000-mile Interstate System.

The status of improvement of the Interstate System as of December 31, 1960, is shown by States in the attached table I.

Interstate projects totaling \$4.7 billion, of which \$4 billion are Federal funds, have been completed since July 1, 1956. The completed projects include construction contracts at a total cost of \$3.7 billion of which \$3.2 billion are Federal funds, and engineering and right-of-way acquisition totaling \$1 billion of which \$0.8 billion are Federal funds.

Interstate projects underway or authorized on December 31, 1960, totaled \$5.2 billion, of which \$4.5 billion were Federal funds. The work underway included construction contracts totaling \$3.2 billion of which \$2.9 billion were Federal funds, and engineering and right-of-way acquisition totaling \$2 billion of which \$1.6 billion were Federal funds.

The status of active and completed projects financed from Federal-aid interstate funds is shown by States in the attached table II.

For the ABC program, including the program financed from the special funds authorized by section 2(a) of the Federal-Aid Highway Act of 1958, projects have been completed since July 1, 1956, at a total cost of \$7.5 billion, of which \$3.9 billion are Federal funds. The completed projects include nearly 113,000 miles of construction contracts, at a total cost of \$7 billion of which \$3.7 billion are Federal funds, and engineering and right-of-way acquisition totaling \$0.5 billion of which \$0.2 billion are Federal funds.

ABC projects were underway or authorized on December 31, 1960, totaling \$2.8 billion, of which \$1.5 billion were Federal funds. The work underway included over 21,000 miles of construction contracts at a total cost of \$2.5 billion

of which \$1.3 billion were Federal funds, and engineering and right-of-way acquisition totaling \$326 million of which \$171 million were Federal funds.

The status of active and completed projects under the ABC program is shown by States in the attached table III.

The Federal-aid highway program is being advanced at the level that can be supported from revenues accruing to the highway trust fund under present legislation. The 1962 fiscal year apportionments made last August 1 included an interstate apportionment of \$2.2 billion.

As shown in figure 1, interstate funds totaling \$25.440 billion have been authorized to be apportioned for the fiscal years through 1969. Under the pay-as-you-go provisions of section 209(g) of the Highway Revenue Act of 1956, an interstate apportionment of \$2 billion would be made this summer, for the fiscal year 1963, and the interstate apportionment for 1964, to be made next year, would be reduced to about \$1.5 billion. Subsequent fiscal year apportionments would range from \$1.5 billion upward, with a balancing apportionment of \$1.625 billion for the fiscal year 1970.

As is also shown in figure 1, the revenues expected to accrue to the highway trust fund under existing legislation are adequate to cover disbursements totaling the \$25.440 billion authorized for the interstate program, with an estimated surplus of \$2.318 billion after meeting requirements for continuing the ABC program at the \$925 million annual rate authorized for the fiscal years 1962 and 1963.

This is a sizable program, but this rate of advancement will not complete the Interstate System by 1972. Additional interstate authorizations totaling \$11.56 billion are needed for completion of the \$37 billion program in accordance with the cost estimates submitted to the Congress last January pursuant to the provisions of section 104(b) (5) of title 23, United States Code, and published as House Document No. 49, 87th Congress, 1st session.

The new 1961 Interstate System cost estimate of \$41 billion, of which \$37 billion is the estimated Federal share, is the same total amount as was estimated in 1959, based on the 1958 estimate plus other supplemental costs. However, the new 1961 estimate includes related interstate program costs for State highway planning and research and for Bureau of Public Roads administration and research, in order that the Federal funds required for these items will be accounted for in the estimates of total future financing requirements. Inclusion of these costs without exceeding the amount based on the 1958 estimate is possible because of a reduction of about \$1 billion in the indicated cost of constructing the Interstate System submitted in the 1961 report as compared to the estimate submitted in January 1958.

The 1958 and 1961 estimates of cost for completion of the Interstate System are both higher than the original 1955 estimate for several reasons. The 1955 estimate was of necessity a preliminary estimate because of the limited time available for its preparation. Also, the 1955 estimate is not comparable to the 1958 and 1961 estimates in several respects. A summary statement relating the original 1955 estimate in the 1958 and 1961 estimates is provided in table IV.

The 1961 cost estimate for completion of the Interstate System was carefully prepared by the State highway departments in cooperation with the Bureau of Public Roads. It is recommended that the estimates and apportionment factors shown in table 5 of the 1961 cost estimate report be approved by the Congress for use in apportioning interstate funds for the fiscal years 1963, 1964, 1965, and 1966. The apportionment of 1963 funds later this year cannot be made until the 1961 cost estimate and apportionment factors have been approved by the Congress.

The program for completion of the Interstate System as proposed by the President is shown in Figure 2.

Under this proposed program the interstate apportionments total \$37 billion. An interstate apportionment of \$2.4 billion for the fiscal year 1963 would be made this summer, and the apportionments for succeeding fiscal years would gradually increase to a maximum of \$3 billion for each of the fiscal years 1968, 1969, and 1970, with a balancing apportionment of \$2.885 billion for the fiscal year 1971.

The funds provided by these apportionments would be disbursed by the latter part of the calendar year 1972. The additional revenues required for this program total \$9.74 billion, based upon increasing the regular ABC program to

a maximum of \$1 billion annually and providing for other programs as recommended in the President's special message.

The increases in revenues accruing to the highway trust fund under the provisions recommended in the President's special message to the Congress are required to finance this program on the pay-as-you-go basis prescribed by section 209(g) of the Highway Revenue Act of 1956.

Estimated annual apportionments, disbursements, revenues, and trust fund balances for this proposed program are shown in table V. Approximate apportionments of interstate and ABC funds for the fiscal year 1963 are shown in table VI.

I would like to present two comparisons of this expanded program with the program under present legislation, covering interstate apportionments and revenues.

A comparison of interstate apportionments under present and proposed programs is shown in figure 3.

Under the present program, interstate apportionments totaling \$25.440 billion would be made for the fiscal years through 1970. Apportionments have already been made for the fiscal years through 1962. Under the pay-as-you-go provisions of section 209(g), the apportionment to be made this year for the fiscal year 1963 would be reduced to \$2 billion, and the apportionments for the fiscal years 1964 and 1965 would be further reduced to \$1.5 billion for each year. Thenceforth the fiscal year apportionments would gradually increase to a maximum of \$1.9 billion for the fiscal years 1968 and 1969, with a balancing apportionment of \$1.625 billion for the fiscal year 1970.

These are the maximum apportionments that could be made for the interstate program with pay-as-you-go financing under present legislation.

In contrast, the proposed program would provide for \$11.56 billion of additional apportionments, for a total of \$37 billion. The apportionment to be made this year for the fiscal year 1963 would be increased to \$2.4 billion and thenceforth the annual apportionments would increase progressively to a maximum of \$3 billion for the fiscal years 1968, 1969, and 1970, with a balancing apportionment of \$2.885 billion for fiscal 1971.

In addition to these interstate apportionments totaling \$37 billion, the proposed program provides for A-B-C and other programs totaling \$17,010 billion through fiscal 1972, as shown in table V.

Future apportionments of A-B-C funds would be made in the amount of \$925 million for fiscal 1963, \$950 million for the fiscal years 1964 and 1965, \$975 million for the fiscal years 1966 and 1967, and \$1 billion annually for the fiscal years 1968 through 1972. Apportionments in these amounts, involving increases of \$25 million every 2 years beginning with the apportionment for the fiscal year 1964 (which would be made in the summer of 1962) are considered desirable to keep the A-B-C program in balance with the expanded interstate program.

The other programs recommended for financing from the highway trust fund in the amount of \$41 million annually include \$33 million for forest highways and \$3 million for public lands highways, as recommended in the President's special message and an estimated \$5 million for emergency relief in the repair of highways damaged by floods or other disasters which would continue to be financed from the highway trust fund. The forest highway system totals 24,891 miles, and practically the entire mileage either is on one of the Federal-aid systems at the present time or could be placed on one of the systems at the recommendation of the State. All improvements financed from public lands highway funds are located on the Federal-aid systems. Under these circumstances it is appropriate that these programs be financed from highway trust fund revenues as proposed in the President's special message.

The second comparison relates to trust fund revenues under present and proposed legislation, as shown in figure 4.

Revenues under present legislation are estimated to total \$42.803 billion through 1972. This total includes transfer of an estimated \$2.492 billion from the general fund to the highway trust fund during the fiscal years 1962, 1963, and 1964, consisting of one-half of the 10-percent tax on automobiles and five-eighths of the 8-percent tax on automotive parts and accessories, as provided by the Highway Revenue Act of 1959.

Estimated revenues under the proposed program would provide an additional \$9.740 billion through 1972, for a total of \$52.543 billion. This \$9.740 billion of additional revenue is a net increase after proposed recision of transfers from the general fund provided under existing legislation for the fiscal years 1962, 1963, and 1964.

The estimated total revenues under the President's proposal would meet financing requirements for the \$37 billion interstate program and for the ABC and other programs.

I would like to mention at this point the studies and investigations of the Federal-aid highway program which are being conducted by a special subcommittee of this committee under the chairmanship of Representative John A. Blatnik.

The Bureau of Public Roads and the State highway departments have followed these investigations and hearings closely. The findings to date have shown the need for tightening our procedures and practices in some areas of the Federal-State partnership. Where instances of irregularities have been turned up, either by the Blatnik committee, the States or the Bureau, we have acted promptly to prevent their recurrence.

These instances are unfortunate. Such instances in any amount, although relatively few, are most deplorable and cannot be condoned.

We are dedicated to eliminating opportunities for fraud, collusion, and corruption in the Federal-aid highway program. We have a Project Examination Division which is continually checking our own operations and those of the highway departments. It has worked closely with the Blatnik committee.

We have greatly tightened our inspection procedures to insure against shoddy or inadequate construction. We have directed our Bureau personnel to tighten up inspections to the necessary level to accomplish this. The Bureau is conducting a thorough training course for its field engineers, the men who make the inspections of State highway work. We recently completed schooling the third group of these engineers from all over the United States in the kind of detailed inspections we are requiring. I came to Washington from a State highway department and I know that the Bureau of Public Roads has substantially increased its efforts to insure that the work done on the Federal-aid systems meets the standards and specifications and that the public gets full value for its dollar.

We have also taken special notice of the problems involved in right-of-way acquisition. We realize that this is a fertile field of manipulations and we have taken steps to limit the possibilities of fraud and profiteering in this area. For example, we require that the State must have title to property or right of possession before a contract is approved for construction. The only exception to this is where public interest dictates otherwise. We further believe that in most cases salvable buildings should be cleared from the right-of-way before the job is turned over to the contractor.

In short, we are doing everything possible in the Bureau, and we are encouraging the States in every way possible, to reduce irregularities and the possibility of irregularities to the absolute minimum. We want to do this job for the people and for the Congress in the way that Congress wants it done.

Proceeding to other phases of the President's proposal, we are facing a serious problem in the displacement of families caused by construction of Federal-aid highways. This problem is becoming increasingly more acute.

When such families are required to move, it is only fair and proper that they should have the opportunity of occupying housing that is decent, safe, and sanitary, that is within their financial means, and that is in reasonably convenient locations. Furthermore, they should be afforded assistance where necessary in order to minimize the hardships involved in finding a suitable dwelling in which to live. I, therefore, subscribe fully to the proposal of the President that our Federal-aid law be amended to require assurance of help to these families in their effort to find relocation housing that would be in line with these standards.

A few States and localities already have provision for offering various forms of assistance to displaced families. However, only by enactment of legislation at the Federal level can we hope to approach this phase of the problem throughout all of the States whereby families will have assurances of help in finding another suitable location. The cost of such advisory services should be nominal in relation to the benefits afforded—and it is believed that the Government

should assume its proportional share in the cost of such advisory services as part of the cost of the construction of the highway project.

Relocation services for displaced families affected by urban renewal projects are provided by the Federal urban renewal legislation, which is administered through local public agencies. Where such agencies exist, it is expected that their cooperation could be obtained and their experience utilized toward accomplishing the desired objective. Where they do not exist, administration of the proposal may be more difficult, but it is believed that it can be worked out.

The President has directed the Housing and Home Finance Agency and the Department of Commerce to intensify their joint planning and coordination efforts and to invite State and local cooperation among highway and housing officials and others.

Continuing efforts are being made by the State highway departments and the Bureau of Public Roads in developing a cooperative and coordinated approach to the complex problems of highway planning in urban areas.

In November 1956 the Joint Committee on Highways of the AASHO and the American Municipal Association inaugurated a continuing program to develop better understanding and appreciation by State and local officials of the separate and mutual problems involved in the expanding highway program. It has done a great deal to promote a spirit of cooperation between municipal officials and State highway departments in developing mutually satisfactory solutions to the critical highway and transportation problems in urban areas.

As a member of that committee I have the highest regard for the competence and sincerity of its members and the effectiveness of their efforts. This committee had much to do with the success of the Sagamore Conference on Highways and Urban Development, held at the Syracuse University Sagamore Conference Center in October 1958, which brought together highway officials, city officials, planners, businessmen, educators, and others, and produced guidelines for urban transportation planning that have been endorsed by the Bureau of Public Roads and widely adopted by State and local officials.

It was as a result of this conference that AASHO created the Special Committee on Urban Planning Seminars of which I was privileged to serve as chairman. I am glad to say that the AASHO has organized for continuing action in this area by establishing a Standing Committee on Urban Transportation on which all State highway departments and the Bureau of Public Roads are represented.

The success of this cooperative approach is evidenced by the continuing transportation planning activity being carried on in nearly all metropolitan areas under State and local sponsorship. The two great cities of my home State of Missouri, St. Louis and Kansas City, are but two examples of the way in which cooperation in planning pays off in mutually satisfactory action programs.

During the past year an inventory of urban planning as related to highways was conducted by the Bureau of Public Roads with the cooperation of the State highway departments. Reports from 937 urban places showed that all cities of 250,000 or more population and 85 percent of the cities of 10,000 or more population had some type of urban plan existing or underway. In 76 percent of the cities reporting there were comprehensive plans which include economic base studies, existing and future land use, all types of public works programs, zoning, financing and transportation plans. An additional 3 percent had transportation plans, covering all transportation systems and various forms of mass transit as well as the major street and highway systems. Six percent of the cities had urban arterial highway plans only, covering major street and highway systems. It is desirable that comprehensive type plans be developed by all cities as promptly as possible.

A summary of the inventory of urban planning is shown in table VII, by population groups and type of plan.

The President has recommended that the present law relative to the control of outdoor advertising be amended to give the States additional time within which to take advantage of the incentive bonus provision, and that the incentive bonus be increased from $\frac{1}{2}$ to 1 percent of the Federal share of the cost of construction.

The Congress has declared it to be in the public interest to encourage and assist the States to control outdoor advertising in areas adjacent to the Interstate System for the purpose of promoting the safety, convenience, and enjoy-

ment of public travel and the free flow of interstate commerce, and to protect the public investment. If this objective is to be accomplished, it is necessary that most if not all of the States control outdoor advertising consistent with the national policy. However, under the present law, in order for a State to obtain the incentive bonus provided by Federal law, it must enter into an agreement with the Secretary of Commerce before July 1 of this year.

Controlling outdoor advertising consistent with the national policy requires State legislation, and so far only the State of Maryland has been able to enact the necessary State legislation and enter into the prescribed agreement. Five other States have enacted legislation which, based upon our initial review, appears adequate to enable those States to control outdoor advertising consistent with the national policy. Those States are Connecticut, Kentucky, North Dakota, Virginia, and Wisconsin. Kentucky, North Dakota, and Wisconsin are actively negotiating for the prescribed agreement with the Secretary of Commerce. We understand that Virginia wishes to obtain an amendment to its law before entering into such an agreement. The Virginia Legislative Assembly does not meet until next year.

A total of 44 State legislatures have met so far this year. Eleven of the legislatures have adjourned. Of the 33 legislatures still in session about 15 are considering legislation on the control of outdoor advertising.

Even if some or all of these States enact such legislation it is questionable whether the necessary agreements with the Secretary of Commerce could be processed and executed within the 90 days or so remaining before the deadline of July 1, 1961. Extending the deadline date will give the States more opportunity to take appropriate action on this subject, and increasing the incentive bonus will be stronger encouragement for them to do so.

The program recommended by the President which I have described here today would complete the interstate program by 1972 while increasing the ABC program by \$25 million every 2 years beginning in 1964 until the \$1 billion annual level is reached. I am sure that to stretch out or cutback the program is not a satisfactory solution, and that the administration's proposals offer the most practicable and equitable means for reaching the objectives of the highway program.

I believe the public interest requires completion of the Interstate System by 1972 in accordance with the original timetable together with continuation of the ABC program at a somewhat increased level. I believe, too, that the program should be financed on a pay-as-you-go basis in accord with the general principles of the 1956 legislation.

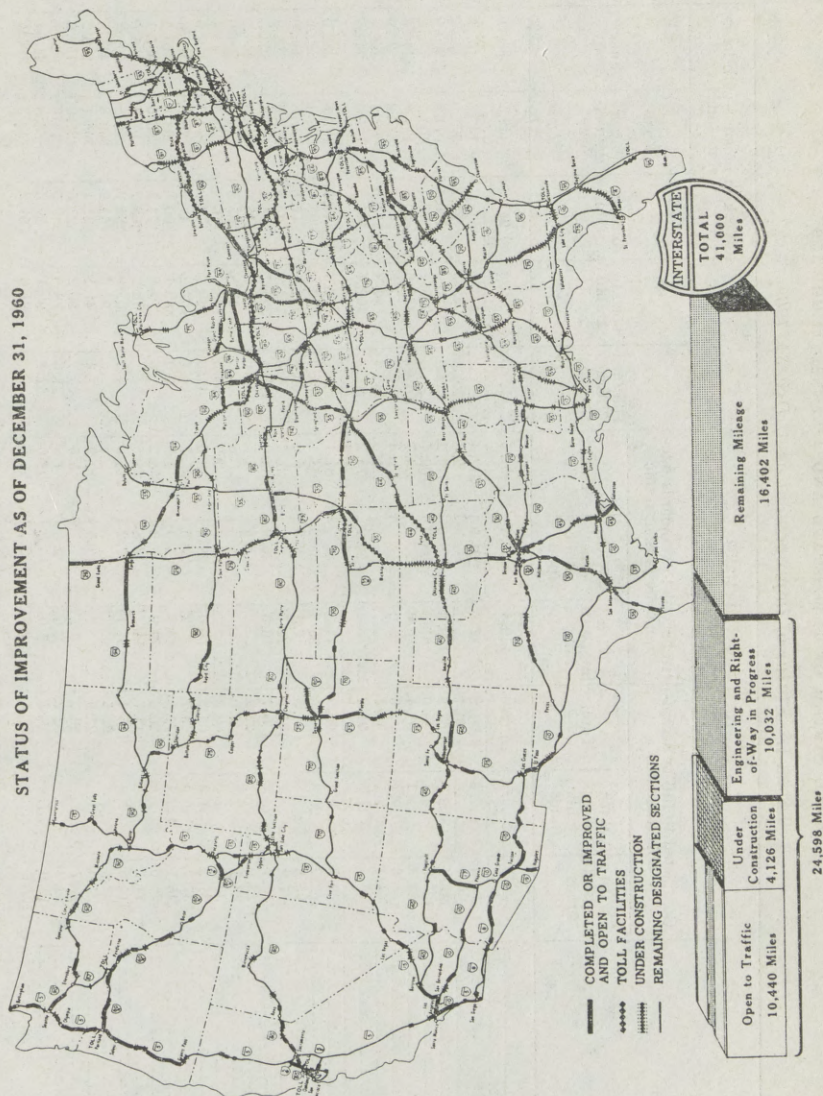
There is ample existing engineering, contractor, equipment, and materials capacity to handle a program of this size with efficiency, integrity, and economy.

Obviously, the program should advance at a prescribed rate. An orderly, well-managed program is conducive to efficiency, for the State highway departments, for contractors, and for suppliers of equipment and materials. If we can anticipate the amount of work to be done annually, the cost of doing it will be lessened. We will get more for our highway dollar.

The President's proposal provides such a program and the means to finance it. I recommend its adoption by the Congress.

THE NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

STATUS OF IMPROVEMENT AS OF DECEMBER 31, 1960



	97.0	51.9	148.9	6.2	12.7	18.9	500.3	668.1	124.8	192.2	317.0	242.1	1,227.2
New York.....	139.0	---	139.0	63.1	62.2	136.2	---	285.3	123.0	21.3	145.2	338.4	1,768.9
North Dakota.....	137.7	---	137.7	26.1	32.2	120.3	---	197.0	31.3	19.5	50.8	320.1	567.9
Ohio.....	324.5	26.9	353.4	---	32.6	27.6	174.5	565.5	73.8	362.1	435.9	482.5	1,483.9
Oklahoma.....	177.8	---	177.8	27.6	22.6	50.2	173.8	303.8	151.3	107.5	258.8	233.0	1,795.6
Oregon.....	176.8	25.2	202.0	27.8	185.3	223.1	173.8	425.9	97.4	35.1	132.5	173.5	731.9
Pennsylvania.....	172.7	54.5	226.0	6.2	1.7	7.7	362.1	596.4	105.6	235.6	341.2	603.7	1,541.3
Rhode Island.....	110.0	9.7	119.7	2.2	1.1	3.3	---	20.7	7.7	14.9	15.6	34.6	1,70.9
South Carolina.....	113.0	---	113.0	56.5	7.9	10.1	---	126.0	175.2	66.1	241.3	311.9	679.2
South Dakota.....	13.3	---	13.3	---	---	---	---	115.8	93.7	185.7	279.4	282.4	677.6
Tennessee.....	13.7	1.7	15.4	56.5	---	56.5	---	15.4	198.2	320.0	518.2	514.0	1,047.6
Texas.....	550.9	52.6	603.5	102.4	143.7	246.1	29.8	879.4	274.4	1,151.7	1,426.1	717.9	3,023.4
Utah.....	40.1	---	40.1	27.1	2.1	29.2	---	69.3	64.2	119.3	183.5	681.5	934.3
Vermont.....	23.1	---	23.1	---	---	---	---	23.1	21.4	107.8	129.2	171.3	323.6
Virginia.....	30.6	5.4	36.0	47.2	37.6	84.8	37.3	158.1	122.3	219.8	342.1	552.9	1,053.1
West Virginia.....	67.0	5.4	72.4	155.1	69.8	224.9	3.3	297.6	45.1	242.5	287.6	140.1	1,725.3
Washington.....	106.5	---	106.5	3.0	---	39.5	85.9	89.2	56.4	50.1	106.5	188.9	384.6
Wisconsin.....	106.5	---	106.5	20.5	39.5	39.5	---	146.0	65.2	241.3	306.5	188.9	452.5
Wyoming.....	98.9	---	98.9	---	---	20.5	---	119.4	166.0	59.3	225.3	572.1	916.8
District of Columbia.....	---	---	---	20.5	.5	.5	---	.5	3.8	7.9	11.7	16.0	28.2
Total.....	4,581.8	553.4	5,135.2	1,305.1	1,735.9	3,041.0	2,263.7	10,439.9	4,125.4	10,032.3	14,157.7	16,019.5	140,617.1

¹ The system is limited to 41,000 miles by law. The small balance is held in reserve for adjustments as final locations are selected and projects built.

TABLE II.—Active and completed projects financed with Federal-aid interstate funds as of Dec. 31, 1960
[Millions of dollars]

State	Projects underway or authorized				Projects completed July 1, 1956, to date							
	Construction		Engineering and right-of-way		Total		Construction		Engineering and right-of-way		Total	
	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds
Alabama.....	\$91.1	\$82.0	\$27.3	\$23.8	\$118.4	\$105.8	\$37.2	\$32.2	\$5.4	\$4.8	\$42.6	\$37.0
Alaska.....												
Arizona.....	36.9	34.9	20.3	19.2	57.2	54.1	39.8	36.5	2.2	2.0	42.0	38.5
Arkansas.....	54.3	48.9	32.0	28.1	86.3	77.0	19.5	15.7	2.2	1.7	21.7	17.4
California.....	280.6	236.7	259.1	102.3	539.7	339.0	284.4	243.5	271.7	181.9	556.1	425.4
Colorado.....	18.0	16.3	4.9	4.5	22.9	20.8	64.0	55.3	14.0	12.2	78.0	67.5
Connecticut.....	38.1	34.1	51.3	45.6	89.4	79.7	37.5	31.5	4.6	4.1	42.1	35.6
Delaware.....	7.7	7.1	16.7	13.9	24.4	21.0	2.9	2.6	1.0	1.0	3.9	3.3
Florida.....	65.8	58.3	28.8	25.9	94.6	84.2	79.0	67.6	53.6	47.4	132.6	115.0
Georgia.....	89.2	79.1	48.1	42.2	137.3	121.3	36.1	29.9	12.5	11.0	48.6	40.9
Hawaii.....												
Idaho.....	15.7	14.6	6.0	5.5	21.7	20.1	26.9	24.1	3.1	2.9	30.0	27.0
Illinois.....	194.4	169.8	101.2	89.3	295.6	259.1	178.9	145.3	35.1	30.4	214.0	175.7
Indiana.....	82.3	72.8	36.7	33.0	119.0	105.8	70.6	60.1	9.7	8.6	80.3	68.7
Iowa.....	24.9	22.5	12.3	11.1	37.2	33.6	107.0	94.1	18.4	16.0	125.4	110.7
Kansas.....	27.5	24.5	13.6	8.8	41.1	33.3	75.3	65.4	11.7	10.3	87.0	75.7
Kentucky.....	60.5	54.3	35.6	31.1	96.1	85.4	69.5	61.3	14.6	11.9	84.0	73.2
Louisiana.....	85.4	76.9	69.0	59.0	154.4	135.9	50.2	44.1	4.6	4.0	54.8	48.1
Maine.....	18.0	16.0	1.7	1.5	19.7	17.5	35.2	30.2	5.5	4.9	40.7	35.1
Maryland.....	61.0	53.6	20.7	18.2	81.7	71.8	51.2	44.1	2.3	2.0	53.5	46.1
Massachusetts.....	91.3	81.2	42.5	38.2	133.8	119.4	68.4	60.3	12.7	11.3	81.1	71.6
Michigan.....	127.7	114.6	130.3	117.3	258.0	231.9	186.5	157.0	13.2	10.6	199.7	167.6
Minnesota.....	76.9	69.9	93.5	71.5	170.4	141.4	20.1	16.6	5.2	4.5	25.3	21.1
Mississippi.....	58.2	52.1	16.4	14.0	74.6	66.1	47.4	41.3	3.8	3.0	51.2	44.3
Missouri.....	90.0	81.3	23.0	20.7	113.0	102.0	116.1	100.9	44.3	39.8	160.4	140.7
Montana.....	30.2	27.8	16.3	14.9	46.5	42.7	20.9	18.5	10.9	9.8	31.8	28.3
Nebraska.....	29.8	26.8	30.2	28.6	37.1	35.3	21.3	18.1	4.5	3.8	25.8	23.9
Nevada.....	6.9	6.6	6.7	5.9	20.5	17.8	38.5	33.0	2.1	1.8	40.6	34.8
New Hampshire.....	13.8	11.9	85.4	73.5	171.4	150.2	49.6	44.0	4.6	3.9	54.2	47.9
New Jersey.....	86.0	76.7	85.4	73.5	171.4	150.2	49.6	44.0	4.6	3.9	54.2	47.9
New Mexico.....	18.5	17.3	12.4	11.4	30.9	28.7	66.1	60.9	5.9	5.3	72.0	66.2
New York.....	289.5	247.7	161.1	143.1	450.6	390.8	266.2	206.9	17.4	15.5	283.6	222.4
North Carolina.....	35.9	32.3	7.0	6.3	42.9	38.6	81.3	69.4	18.6	16.3	99.9	85.7
North Dakota.....	13.4	12.3	4.0	3.6	17.4	15.9	53.6	47.8	2.7	2.3	56.3	50.1
Ohio.....	148.9	129.6	38.5	34.6	187.4	164.2	336.6	294.0	134.1	120.1	470.7	414.1
Oklahoma.....	31.0	27.8	14.8	13.3	45.8	41.1	80.5	68.6	8.0	7.1	88.5	75.7

Oregon	55.7	51.2	40.6	34.9	96.3	86.1	68.1	56.8	2.2	1.9	70.3	58.7
Pennsylvania	99.2	89.2	43.9	39.5	143.1	128.7	214.5	182.6	41.3	37.0	255.8	219.6
Rhode Island	4.9	4.2	22.8	20.3	27.7	24.5	20.6	17.5	3.4	3.0	24.0	20.5
South Carolina	64.7	57.6	6.6	5.9	71.3	63.5	32.1	27.4	10.3	9.0	42.4	36.4
South Dakota	29.5	26.8	5.6	5.1	35.1	31.9	32.3	27.7	3.1	2.8	35.4	30.5
Tennessee	107.3	96.6	84.2	73.2	191.5	169.8	44.7	39.9	9.0	7.4	53.7	47.3
Texas	155.4	139.4	77.8	69.1	233.2	208.5	248.7	215.6	35.1	31.5	283.8	247.1
Utah	21.5	20.2	19.2	18.2	40.7	38.4	27.7	25.0	15.6	14.4	43.3	39.4
Vermont	23.8	21.4	10.1	9.0	33.9	30.4	25.2	21.8	2.4	2.0	27.6	23.7
Virginia	114.3	102.4	56.8	51.2	171.1	153.6	26.2	21.2	14.4	12.5	40.6	33.7
Washington	45.2	38.3	32.8	29.4	78.0	67.7	72.5	58.6	28.7	25.6	107.3	94.2
West Virginia	47.6	42.1	21.6	18.5	69.2	60.6	22.5	23.1	4.8	4.1	57.3	51.2
Wisconsin	39.1	35.2	23.2	19.7	62.3	54.7	73.5	63.0	13.8	11.5	57.3	51.1
Wyoming	32.1	29.8	8.2	7.6	40.3	37.4	53.9	48.8	1.4	1.3	55.8	51.1
District of Columbia	27.9	24.7	21.0	18.9	48.9	43.6	18.3	16.3	2.6	2.3	20.9	18.8
Puerto Rico												
Total	3,267.6	2,897.4	1,968.8	1,604.8	5,236.4	4,502.2	3,714.0	3,177.1	949.8	779.5	4,663.8	3,956.6

FEDERAL-AID HIGHWAY ACT OF 1961

TABLE III.—Federal-aid primary and secondary highway systems—Active and completed projects financed with primary, secondary, and urban funds as of Dec. 31, 1960

State	Projects underway or authorized				Projects completed July 1, 1950, to date								
	Construction			Total	Engineering and right-of-way			Total					
	Total cost	Federal funds	Miles		Total cost	Federal funds	Miles						
Alabama	\$73.7	\$35.4	807.7	\$8.3	\$4.1	\$39.5	\$136.8	\$72.3	3,022.4	\$12.1	\$0.0	\$148.9	\$78.3
Alaska	18.0	16.6	189.1	9.7	8.6	25.2	35.8	30.2	705.7	1.8	1.8	37.6	32.0
Arizona	19.6	14.5	190.2	2.8	2.1	16.6	61.8	46.2	708.1	1.5	1.1	63.3	47.3
Arkansas	40.0	20.3	518.6	2.3	1.2	21.5	84.2	43.4	2,351.5	7.4	3.6	91.6	47.0
California	173.7	94.4	309.4	1.3	.8	95.2	378.9	193.3	1,535.4	3.2	1.7	382.1	195.0
Colorado	21.0	11.5	258.5	4.6	2.7	14.2	112.4	60.1	1,507.6	10.3	5.3	122.7	65.4
Connecticut	37.8	18.0	57.3	2.8	1.3	19.3	72.4	37.1	118.6	1.9	1.0	74.3	38.1
Delaware	8.0	4.1	51.8	.3	.1	4.2	32.2	15.5	247.0	.4	.7	32.6	15.7
Florida	24.5	12.4	170.0	.3	.2	12.6	144.2	70.7	1,583.0	1.4	.7	145.6	71.4
Georgia	81.3	40.8	929.4	14.2	7.1	47.9	144.0	72.3	2,611.0	7.7	3.7	151.7	76.0
Hawaii	6.3	3.0	15.2	1.0	.5	3.5	22.7	11.4	50.2	3.3	1.6	26.0	13.0
Idaho	13.6	8.9	159.8	3.3	2.0	10.9	57.4	35.6	1,201.4	4.0	2.4	61.8	37.8
Illinois	147.0	78.6	723.1	16.6	8.3	86.9	331.8	173.2	3,761.4	7.0	3.6	338.8	170.8
Indiana	72.3	37.5	318.2	19.1	9.6	47.1	181.6	96.0	1,812.0	23.9	11.6	205.5	107.6
Iowa	34.4	16.5	597.0	1.8	.9	34.2	173.0	92.3	5,343.8	5.7	2.9	178.7	93.2
Kansas	27.8	14.1	984.1	2.5	1.2	52.1	155.3	79.1	6,210.8	14.1	7.1	169.4	80.2
Kentucky	44.5	23.6	271.2	7.6	3.9	27.5	113.5	59.8	1,444.8	22.7	11.3	138.2	71.1
Louisiana	66.7	33.7	528.5	5.4	2.9	36.4	130.7	63.2	1,454.0	6.1	3.1	136.9	60.3
Maine	12.8	6.2	66.3	1.7	.9	14.5	54.7	27.6	749.2	.8	2.5	59.9	60.3
Maryland	27.6	14.3	162.3	2.4	1.2	30.0	98.6	48.7	747.2	2.8	1.4	94.4	39.1
Massachusetts	79.3	39.7	73.1	11.0	6.0	46.7	116.6	57.9	176.6	21.1	10.3	137.7	68.2
Michigan	89.1	44.3	726.8	11.6	5.8	50.1	264.6	129.6	3,895.4	5.2	2.2	269.8	13.84
Minnesota	97.8	51.7	664.1	1.8	.9	39.6	155.3	81.0	6,670.2	4.9	2.6	160.2	415
Mississippi	35.1	17.0	720.1	4.5	2.2	19.2	110.9	55.3	3,477.5	11.8	5.9	122.7	83.6
Missouri	58.2	30.0	778.9	18.9	8.9	38.9	194.0	100.6	5,933.9	35.6	17.8	229.6	161.2
Montana	21.0	12.9	404.6	4.3	2.5	15.4	105.1	66.5	2,231.2	7.6	4.4	112.7	18.4
Nebraska	38.3	21.0	896.8	2.2	1.3	40.9	121.9	65.1	3,356.8	12.6	6.4	134.5	70.9
Nevada	9.4	7.9	101.6	2.2	1.9	9.8	44.6	36.8	973.9	2.3	1.7	43.6	38.5
New Hampshire	6.9	3.5	34.8	.7	.4	7.6	42.1	21.5	223.1	1.5	.7	43.6	38.5
New Jersey	41.7	20.8	70.5	10.9	8.5	58.6	102.6	51.3	235.8	2.8	1.4	105.4	22.2
New Mexico	20.8	13.0	23.9	3.1	2.0	15.0	80.7	51.8	1,223.9	7.3	4.6	88.0	52.9
New York	255.2	121.4	479.6	5.9	3.2	261.1	558.3	263.1	1,607.2	26.2	12.9	558.3	269.1
North Carolina	32.6	16.2	295.3	8.4	4.2	41.0	154.6	78.8	2,891.0	-----	-----	180.8	91.5
North Dakota	16.4	8.2	610.5	1.2	.6	17.6	99.8	51.6	6,684.7	3.7	1.9	103.5	53.7

Ohio.....	167.9	91.0	329.6	4.2	2.1	172.1	93.1	228.8	120.3	1,393.2	76.6	38.3	305.4	158.6
Oklahoma.....	49.8	25.1	800.5	5.7	2.8	55.5	27.9	155.5	78.8	2,000.4	6.1	1.3	101.6	81.8
Oregon.....	29.3	18.1	207.7	8.2	5.0	37.5	23.1	92.3	53.2	1,223.5	6.2	1.3	191.6	56.0
Pennsylvania.....	101.4	49.3	246.6	14.8	7.4	116.2	56.7	369.2	187.8	1,117.3	12.4	6.2	381.6	104.6
Rhode Island.....	13.3	6.6	31.0	6.8	3.4	20.1	10.0	32.7	16.0	13.4	12.1	3.2	38.8	19.6
South Carolina.....	37.3	18.6	1,106.7	1.8	.9	39.1	19.5	81.3	12.7	2,488.8	6.9	3.9	88.2	46.2
South Dakota.....	18.2	10.1	445.5	4.9	.5	19.1	10.6	46.3	55.0	3,313.2	6.8	.6	97.2	55.6
Tennessee.....	25.3	12.7	436.1	16.1	7.9	41.4	20.6	101.8	82.7	3,313.2	2.7	2.6	168.6	84.8
Texas.....	134.5	70.8	1,367.1	2.2	1.4	135.4	71.2	459.2	243.7	8,983.7	2.7	1.5	471.9	243.2
Utah.....	12.8	9.4	129.4	9.9	1.6	13.0	1.0	31.9	36.2	816.1	5.3	3.9	57.2	40.1
Vermont.....	9.4	4.7	49.7	.6	1.3	10.0	5.0	34.3	18.0	280.9	4.0	1.9	38.9	19.9
Virginia.....	39.5	20.7	313.9	13.8	6.9	53.3	27.6	134.3	70.4	2,179.9	19.2	9.5	155.5	79.9
Washington.....	34.7	18.1	421.9	9.1	4.9	43.8	23.0	113.2	60.5	1,749.1	1.7	9.9	117.2	61.4
West Virginia.....	29.4	15.1	257.2	12.2	6.0	44.6	21.1	62.5	32.2	1,665.4	10.1	5.0	72.6	37.2
Wisconsin.....	29.8	15.2	383.3	3.3	2.2	43.0	21.6	180.1	91.4	3,257.9	9.9	4.9	190.0	96.3
Wyoming.....	15.7	10.2	180.6	3.3	2.2	19.0	12.4	59.7	39.0	1,153.7	1.2	4.8	60.9	39.8
District of Columbia.....	13.2	6.5	4.0	5.3	2.7	18.7	9.2	26.3	13.2	30.3	1.4	.8	27.7	13.8
Puerto Rico.....	24.4	11.8	71.9	4.1	2.0	28.5	13.8	38.4	18.1	117.3	8.6	3.7	47.0	21.8
Total.....	2,536.3	1,325.0	21,158.9	326.3	171.2	2,862.6	1,406.2	7,062.9	3,704.4	112,963.7	465.7	235.6	7,528.6	3,940.0

TABLE IV.—*Relationship of 1955, 1958, and 1961 Interstate System cost estimates*

[In billions of dollars]

Item	Estimated costs		
	Total	Federal share	State share
1955 estimate.....	27.6	25.0	2.6
5-percent increase due traffic.....	1.3	1.2	.1
15-percent increase due local needs.....	3.8	3.4	.4
3-percent increase due utilities and miscellaneous.....	.8	.7	.1
12-percent increase due price increase.....	4.1	3.6	.5
Subtotal, 1958 estimate.....	37.6	33.9	3.7
Increase due 1,452 miles added routes.....	1.6	1.5	.1
Carryover and contingency.....	.7	.6	.1
Total to complete a 40,000-mile system, based on 1958 estimate.....	39.9	36.0	3.9
Additional 1,000 miles.....	1.1	1.0	.1
Total to complete a 41,000-mile system, based on 1958 estimate.....	41.0	37.0	4.0
Reduction in 1961 construction cost estimate.....	-1.0	-.9	-.1
State highway planning and research.....	.6	.5	.1
Public Roads administration and research.....	.4	.4	0
Total, 1961 estimate.....	41.0	37.0	4.0

TABLE V.—*Proposed program of Interstate System*

[Millions of dollars]

Fiscal year	Apportionments				Disbursements	Revenues	Highway trust fund balance
	Date made	Interstate	ABC and other	Total			
Balance ¹	June 30, 1956	315	1,665	1,980			
1957.....	May 29, 1956	1,000	129	1,129	966	1,482	516
1958.....	Aug. 1, 1956	1,700	859	2,559	1,511	2,044	1,049
1959.....	Aug. 1, 1957	2,200	1,381	3,581	2,613	2,088	524
1960.....	Aug. 1, 1958	2,700	906	3,406	2,940	2,535	119
1961.....	Oct. 8, 1959	1,800	883	2,683	2,868	2,857	108
Balance ¹			82	82			
1962.....	Aug. 1, 1960	2,200	920	3,120	3,089	3,176	195
1963.....	July 1, 1961	2,400	966	3,366	3,260	3,301	236
1964.....	July 1, 1962	2,600	991	3,591	3,414	3,402	224
1965.....	July 1, 1963	2,700	991	3,691	3,511	3,499	212
1966.....	July 1, 1964	2,800	1,016	3,816	3,613	3,584	183
1967.....	July 1, 1965	2,900	1,016	3,916	3,724	3,667	126
1968.....	July 1, 1966	3,000	1,041	4,041	3,832	3,749	43
1969.....	July 1, 1967	3,000	1,041	4,041	3,874	3,831	0
1970.....	July 1, 1968	3,000	1,041	4,041	3,914	3,914	0
1971.....	July 1, 1969	2,885	1,041	3,926	4,007	4,007	0
1972.....	July 1, 1970		1,041	1,041	4,106	4,106	0
1973.....					1,301	1,301	0
Total.....		37,000	17,010	54,010	52,543	52,543	

¹ Unpaid balance of prior authorizations.

TABLE VI.—Approximate apportionments of Federal-aid highway funds, fiscal year 1963

[Thousands of dollars]

State	A B C				Interstate (2,400,000)	Total (3,325,000)
	Primary (416,250)	Secondary (277,500)	Urban (231,250)	Subtotal (925,000)		
Alabama.....	8,034	6,129	3,110	17,273	49,635	66,908
Alaska.....	22,149	14,865	152	37,166	-----	37,166
Arizona.....	6,133	3,978	1,729	11,840	33,692	45,532
Arkansas.....	5,998	4,768	1,261	12,027	25,114	37,141
California.....	21,244	9,841	25,053	56,138	229,427	285,565
Colorado.....	6,963	4,517	2,355	13,835	31,815	45,650
Connecticut.....	2,786	1,493	3,738	8,017	33,882	41,899
Delaware.....	2,060	1,374	531	3,965	8,934	12,899
Florida.....	7,619	4,718	7,414	19,751	49,777	69,528
Georgia.....	10,253	7,736	3,752	21,741	44,217	65,958
Hawaii.....	2,060	1,374	859	4,293	18,842	23,135
Idaho.....	4,633	3,318	496	8,447	11,262	19,709
Illinois.....	15,614	8,571	14,845	39,030	125,108	164,198
Indiana.....	9,405	6,801	5,190	21,396	59,424	80,820
Iowa.....	9,453	7,033	2,473	18,959	30,365	49,324
Kansas.....	9,445	6,592	2,270	18,307	18,604	36,911
Kentucky.....	6,813	5,771	2,309	14,893	48,946	63,839
Louisiana.....	6,229	4,479	3,620	14,328	69,308	83,636
Maine.....	3,080	2,339	785	6,204	11,333	17,537
Maryland.....	3,914	2,443	4,182	10,539	43,956	54,495
Massachusetts.....	5,232	2,300	7,992	15,524	51,417	66,941
Michigan.....	12,753	8,004	10,490	31,247	93,496	124,743
Minnesota.....	10,615	7,476	3,792	21,883	62,061	83,944
Mississippi.....	6,471	5,436	1,359	13,266	29,153	42,419
Missouri.....	11,043	7,559	5,140	23,742	61,372	85,114
Montana.....	7,621	5,287	530	13,438	22,453	35,891
Nebraska.....	7,614	5,420	1,334	14,368	14,018	28,386
Nevada.....	4,736	3,150	349	8,235	12,094	20,329
New Hampshire.....	2,060	1,374	612	4,046	10,763	14,809
New Jersey.....	5,798	2,006	9,910	17,714	62,590	80,274
New Mexico.....	6,471	4,366	1,118	11,955	23,950	35,905
New York.....	18,838	8,216	26,642	53,696	113,692	167,388
North Carolina.....	9,803	8,748	3,034	21,585	19,626	41,211
North Dakota.....	5,298	3,881	406	9,585	10,597	20,182
Ohio.....	14,200	8,857	13,059	36,116	163,754	199,870
Oklahoma.....	8,371	5,824	2,551	16,746	28,868	45,614
Oregon.....	6,418	4,484	1,933	12,835	41,675	54,510
Pennsylvania.....	15,298	9,509	14,722	39,529	107,324	147,153
Rhode Island.....	2,060	1,374	1,408	4,842	8,839	13,681
South Carolina.....	5,291	4,620	1,657	11,568	20,719	32,287
South Dakota.....	5,790	4,190	420	10,400	15,753	26,153
Tennessee.....	8,106	6,397	3,295	17,798	60,469	78,267
Texas.....	25,332	16,014	12,851	54,197	108,559	162,756
Utah.....	4,546	2,950	1,207	8,703	34,737	43,440
Vermont.....	2,060	1,374	322	3,756	16,561	20,317
Virginia.....	7,683	6,015	4,011	17,709	72,919	90,628
Washington.....	6,646	4,483	3,471	14,600	50,015	64,615
West Virginia.....	3,978	3,596	1,217	8,791	39,115	44,906
Wisconsin.....	9,335	6,582	4,476	20,393	21,218	41,611
Wyoming.....	4,615	3,142	273	8,030	23,023	31,053
District of Columbia.....	2,060	1,374	1,452	4,886	34,499	39,385
Puerto Rico.....	2,060	2,277	1,781	6,118	-----	6,118

TABLE VII.—Inventory of urban planning, by population groups and type of plans

Population group	Total number of places	Percent of total number of places							
		Total		With comprehensive plan		With transportation plan		With urban arterial highway plan only	
		Without plan	With plan	Existing	Underway	Existing	Underway	Existing	Underway
Over 1,000,000.....	5	-----	100	60	-----	-----	40	-----	-----
500,000 to 999,999.....	16	-----	100	56	38	-----	6	-----	-----
250,000 to 499,999.....	28	-----	100	64	28	-----	4	-----	-----
100,000 to 249,999.....	73	3	97	48	38	-----	3	-----	4
50,000 to 99,999.....	170	13	87	43	38	-----	3	7	1
25,000 to 49,999.....	330	14	86	43	31	1	2	3	-----
10,000 to 24,999.....	315	21	79	39	31	-----	1	6	2
Total.....	937	15	85	43	33	1	2	5	1

FIGURE 1

INTERSTATE PROGRAM UNDER EXISTING LEGISLATION

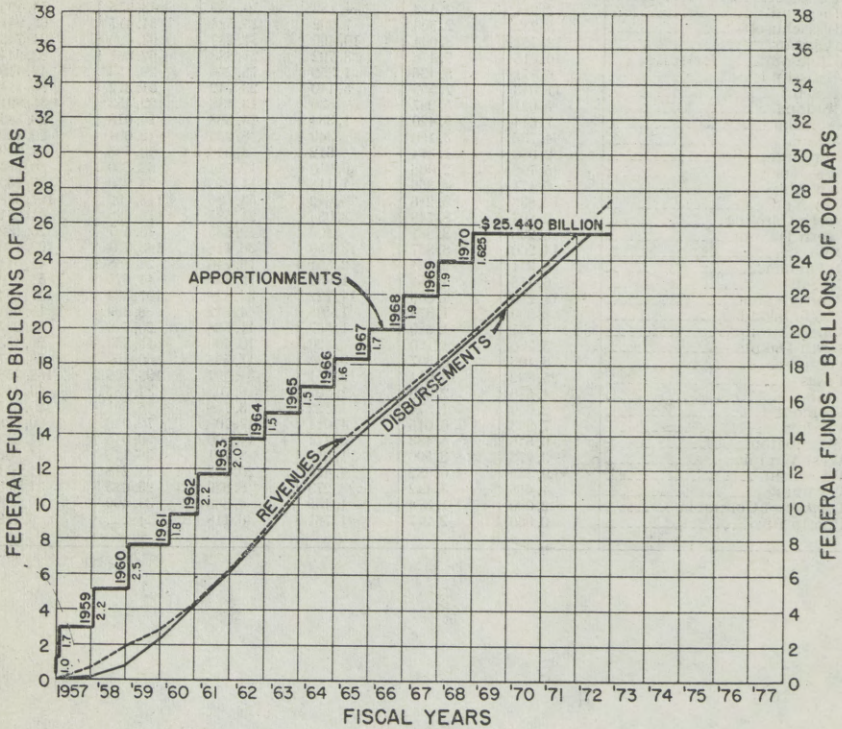


FIGURE 2
COMPLETION OF INTERSTATE SYSTEM
WITH RECOMMENDED INCREASES IN EXISTING
EXCISE TAXES
INTERSTATE PROGRAM

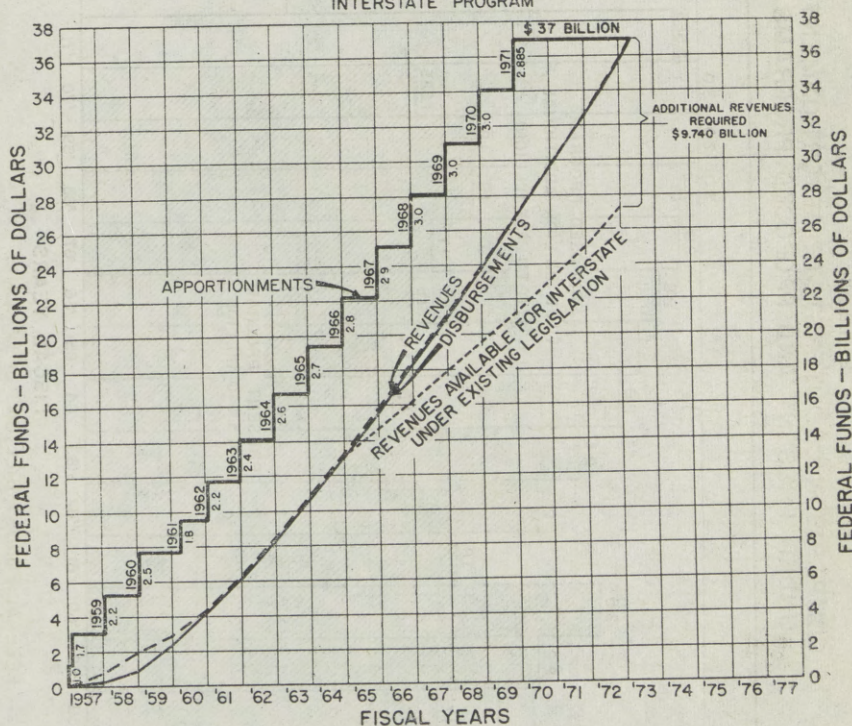


FIGURE 3
COMPARISON OF INTERSTATE APPORTIONMENTS
UNDER PRESENT AND PROPOSED PROGRAMS

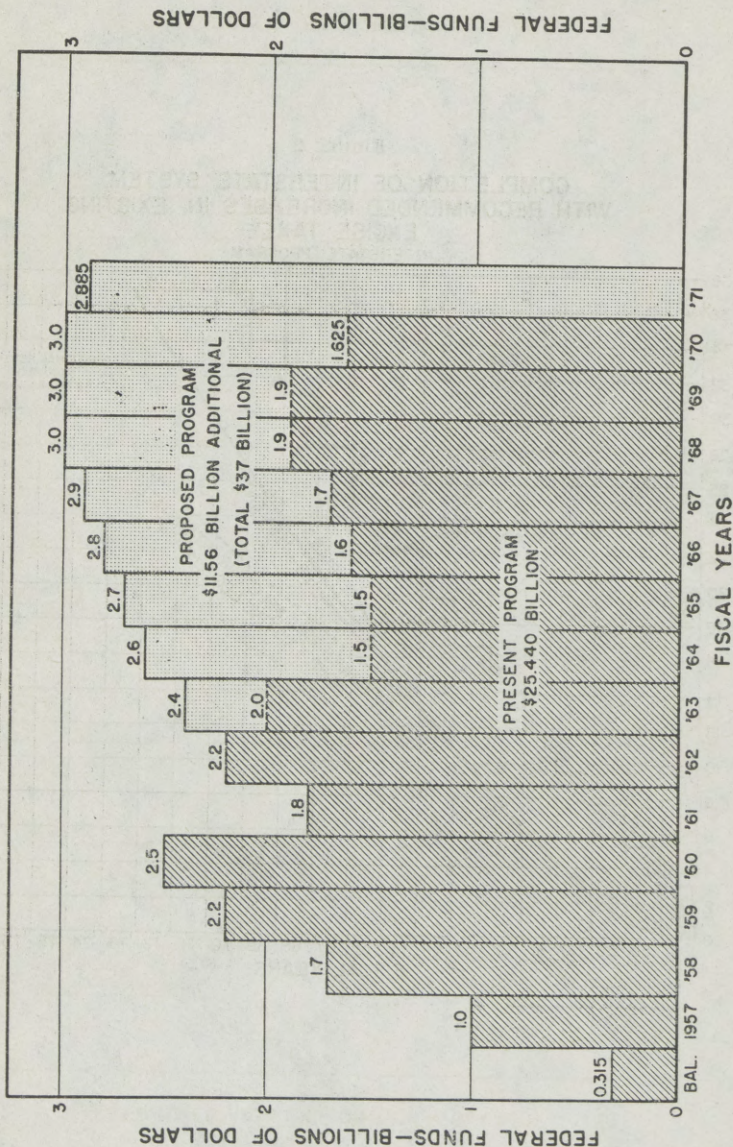
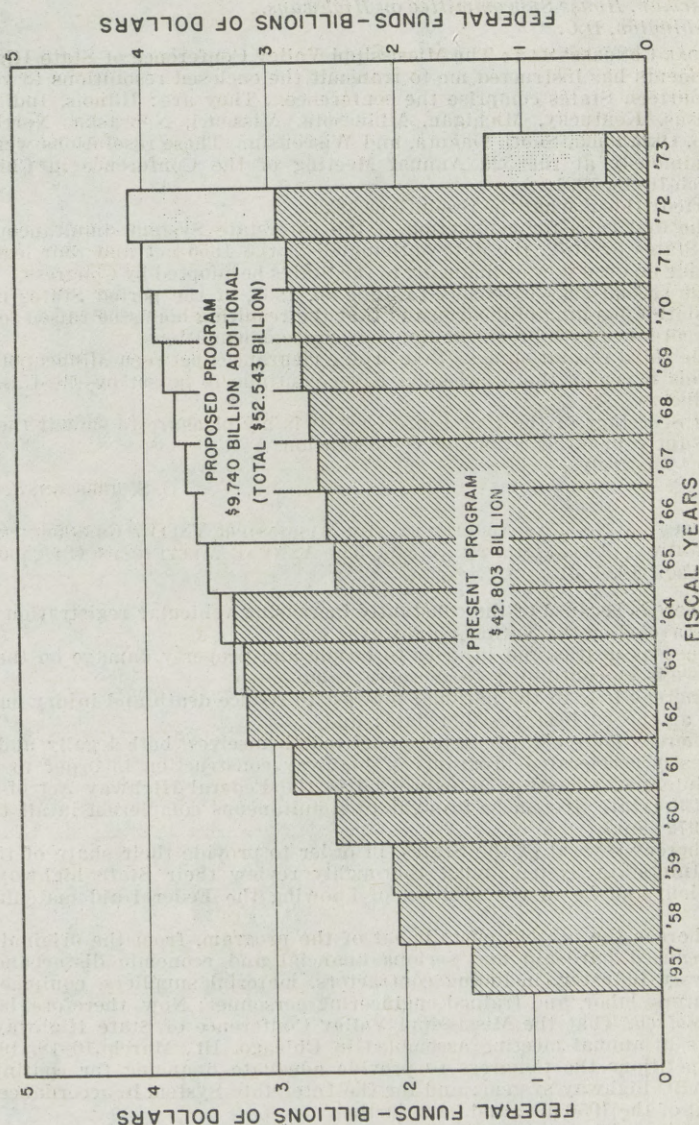


FIGURE 4
COMPARISON OF TRUST FUND REVENUES
UNDER PRESENT AND PROPOSED PROGRAMS



(The three resolutions adopted by the Mississippi Valley Conference of State Highway Departments are as follows:)

STATE OF OHIO,
DEPARTMENT OF HIGHWAYS,
Columbus, March 21, 1961.

HON. GEORGE H. FALLON,
Chairman, House Subcommittee on Highways,
Washington, D.C.

DEAR CONGRESSMAN: The Mississippi Valley Conference of State Highway Departments has instructed me to transmit the enclosed resolutions to you.

Fourteen States comprise the conference. They are: Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, and Wisconsin. These resolutions were adopted unanimously at the 52d Annual Meeting of the Conference in Chicago, Ill., March 16-18, 1961.

Briefly this is what the resolutions ask:

The first calls for completion of the Interstate System simultaneously in all the States by 1972, the date anticipated in the 1956 act and that legislation to provide an even flow of financing to the States be adopted by Congress.

The second asks extension to June 30, 1965, of the period States may adopt legislation banning billboards and that the resulting bonus be raised to 1 percent in accordance with President Kennedy's recommendations.

The third resolution asks that bridge clearances between Minneapolis and the Illinois River on the Mississippi River continue to be set by the U.S. Corps of Engineers.

As Secretary of the 1961 conference, it is my pleasure to submit these resolutions for your information and consideration.

Sincerely,

E. S. PRESTON, *Secretary.*

RESOLUTION NO. 1 AS ADOPTED BY THE MISSISSIPPI VALLEY CONFERENCE OF STATE HIGHWAY DEPARTMENTS AT THE 52D ANNUAL MEETING IN CHICAGO, ILL., ON MARCH 18, 1961

Whereas because of the constantly increasing vehicular registration and mileage traveled on the Nation's highways; and

Whereas deaths and injuries to people and property damage on the Nation's highways is continuing to increase; and

Whereas it is in the national interest to reduce death and injury on the highway at the earliest possible date; and

Whereas many States have committed themselves, both legally and morally, to vastly accelerated programs of highway construction in order to carry out the intent of Congress, as expressed in the Federal Highway Act of 1956 that the Interstate System be brought to simultaneous completion in all the States by 1972; and

Whereas several of the States, in order to provide their share of the cost of the Interstate System, must thoroughly review their State highway revenue position, and be in the position of knowing the Federal aid matching needs; and

Whereas the present curtailment of the program, from the original schedule has caused hardship and serious financial and economic disturbance to the highway industry, including contractors, material suppliers, equipment manufacturers, labor, and trained engineering personnel: Now, therefore, be it

Resolved, That the Mississippi Valley Conference of State Highway Departments in annual meeting assembled in Chicago, Ill., March 16-18, 1961, urges and petitions the Congress to provide adequate financing for continuation of the ABC highway system; and for the Interstate System in accordance with the intent of the 1956 act; and be it further

Resolved, That the conference reassures the Congress and the public of the ability of the State highway departments to construct the Interstate System in accordance with the original schedule set forth in the Highway Act of 1956, or at an accelerated rate; and be it further

Resolved, That the conference firmly believes that the financing necessary for the orderly completion of construction should be provided at this time so as to eliminate future interruptions, valleys, and peaks in the program; and be it further

Resolved, That the existing 90-10 Federal-State matching ratio be continued on Interstate System projects; and be it further

Resolved, That there be no deletions or additions either rural or urban in the presently designated Interstate System; and be it further

Resolved, That copies of this resolution be sent to the chairmen of the appropriate committees and/or subcommittees of the Congress of the United States and Members of Congress from the respective States of the conference.

RESOLUTION No. 7 AS ADOPTED BY THE MISSISSIPPI VALLEY CONFERENCE OF STATE HIGHWAY DEPARTMENTS AT THE 52D ANNUAL MEETING IN CHICAGO, ILL., ON MARCH 18, 1961

Whereas it has been declared to be in the public interest to encourage and assist the various States to control the use of, and to improve areas adjacent to, the Interstate System by controlling the erection and maintenance of outdoor advertising signs, displays, and devices adjacent to that system; and

Whereas section 131 of title 23, United States Code, provides that States may enter into agreements with the Secretary of Commerce to receive bonus payments for such billboard control; and

Whereas section 131 further provides that the time for entering into such agreements expires June 30, 1961; and

Whereas such date does not provide sufficient time for the several States to consider legislation on this subject and to enter into such agreements: Now, therefore, be it

Resolved, That this Mississippi Valley Conference of State Highway Departments in annual meeting assembled in Chicago, Ill., March 16-18, 1961, urges and petitions the Congress of the United States to extend to June 30, 1965, the period within which the necessary agreements with the Secretary of Commerce may be made, and endorses President Kennedy's recommendation that the Federal bonus payment be increased to 1 percent; be it further

Resolved, That copies of this resolution be sent to the chairmen of appropriate committees and/or subcommittees of the Congress of the United States and to all Members of same Congress from the respective States of this conference.

RESOLUTION No. 8 AS ADOPTED BY THE MISSISSIPPI VALLEY CONFERENCE OF STATE HIGHWAY DEPARTMENTS AT THE 52D ANNUAL MEETING IN CHICAGO, ILL., ON MARCH 18, 1961

Whereas the passage of H.R. 4466, 4599, and 2790 would make it mandatory as a matter of law that bridges crossing the Mississippi between Minneapolis and the mouth of the Illinois River be constructed 10 to 13 feet higher than is presently required; and

Whereas these bills would require a large additional highway expenditure without producing any appreciable saving in waterway transportation costs; and

Whereas these bills would establish a vertical bridge clearance that does not result in minimal transportation costs and are not, therefore, in the public interest; and

Whereas these bills would establish an inflexibility in the administration of transportation matters contrary to the public interest which requires flexibility; and

Whereas in their present form, these bills provide the same vertical clearance in three sections of the waterway that have far different types and volumes of waterway traffic. Any clearance established for one would not be proper for the other two; and

Whereas passage of these bills would nullify all of the progress that has been made during the past 10 years in developing an equitable method of determining the vertical bridge clearance that is most desirable from an overall national interest viewpoint. Such passage would, in fact, indicate that the Congress did not wish to have bridge clearances established at heights that would result in the lowest possible total transportation cost: Now, therefore, be it

Resolved, That the 1961 conference of the Mississippi Valley State Highway Departments opposes the passage of these bills and recommends that the determination of bridge clearances be continued to be made by the Corps of Engineers

in accordance with general principles now in use and that will result in the lowest possible total transportation cost; be it further

Resolved, That these general principles now in use generally by the Corps of Engineers to establish bridge clearances be made mandatory by revising the General Bridge Act to include them; be it further

Resolved, That copies of this resolution be submitted to the members of the Committee on Public Works of the U.S. House of Representatives to the chairman of each Highway Subcommittee of the Congress and to all Members of the same Congress from the respective States of this conference.

Mr. FALLON. Mr. Whitton and Mr. Turner, we certainly do appreciate your giving us your time this morning and informing this committee of just exactly the condition of the program and what is necessary to complete it. Certainly of all the people I know who have testified before this committee, you two men have full knowledge. On behalf of the committee I do appreciate your coming, and I ask you if it will be possible at the time when we are considering writing up the bill if we could have the benefit of your presence then.

Mr. WHITTON. Yes, sir. We thank you for the opportunity, Mr. Chairman.

Mr. FALLON. The committee will adjourn until Thursday morning at 10 o'clock.

(Whereupon, at 12:15 p.m., the subcommittee adjourned until 10 a.m. Thursday, March 23, 1961.)

FEDERAL-AID HIGHWAY ACT OF 1961

THURSDAY, MARCH 23, 1961

HOUSE OF REPRESENTATIVES,
COMMITTEE ON PUBLIC WORKS,
SUBCOMMITTEE ON ROADS,
Washington, D.C.

The subcommittee met, pursuant to adjournment, in room 1302, New House Office Building, at 10:15 a.m., Hon. George H. Fallon (chairman of the subcommittee) presiding.

Mr. FALLON. Ladies and gentlemen, the Committee on Public Works, Subcommittee on Roads, is meeting this morning for the consideration of H.R. 5200, to amend certain laws relating to the Federal-aid highways, and to make certain adjustments in the Federal highway program, and for other purposes.

Our first witness this morning will be Mr. Bray, president of the American Association of State Highway Officials.

Mr. BRAY, would you please come up to the witness table, and Mr. Johnson, would you like to come up with Mr. Bray?

Mr. BRAY, on behalf of the committee, I want to tell you we appreciate your coming here this morning to give us the knowledge that your organization usually supplies at a hearing of this kind.

STATEMENT OF D. H. BRAY, PRESIDENT, AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS, ACCOMPANIED BY ALFRED E. JOHNSON, EXECUTIVE SECRETARY

Mr. BRAY. Thank you, Mr. Chairman.

Mr. FALLON. We also want to welcome Mr. Johnson, who has been before us many times.

Mr. JOHNSON. Thank you, Mr. Fallon.

Mr. FALLON. Mr. Bray.

Mr. BRAY. Gentlemen of the committee, my name is D. H. Bray and I am the State highway engineer of Kentucky.

I have the honor and privilege of being the president of the American Association of State Highway Officials and, in that capacity, I am here today, representing the several State highway departments.

We are those agencies that the basic Federal-Aid Highway Act of 1916 designates as the Federal Government's contact with the sovereign States for highway matters.

Our work is subject to the approval of the Bureau of Public Roads, as a means of protecting the national interest. We are proud of the capabilities and achievements of the State highway departments—Bureau of Public Roads highway team, as demonstrated over the past 45 years, and especially during the past 4 years of the accelerated

highway program. This partnership is the most experienced highway building team in existence.

We are vitally interested in the deliberations of this committee, for we are the ones who have the actual responsibility of planning and building the Federal-aid highway programs that you draft.

Therefore, we appreciate the invitation of Chairman Charles A. Buckley to appear today and to testify on H.R. 5200, introduced by Chairman George H. Fallon of the Roads Subcommittee.

In order to be helpful, avoid confusion, and to use the minimum of the valuable time of the congressional committees, it is our policy to testify through our elected officials from a policy statement that is annually developed and adopted by the chief administrative officers of all the State highway departments.

It is our sincere feeling that we can furnish you vital information today that will be of assistance to you in reviewing the Federal-aid highway program and in deciding if the interstate highway program should be put back on schedule.

We believe that the State highway departments are particularly well qualified to give information on highway and program needs from the public service viewpoint.

Chairman Fallon continues to demonstrate an exceptional insight and knowledge of the highway program in introducing H.R. 5200.

First, it provides for the congressional approval of the 1961 estimated cost of completing the National System of Interstate and Defense Highways, which approval is a prerequisite for the apportionment of any additional interstate funds to the several States. The 1961 estimate is the apportionment basis for the 1963 through 1966 fiscal year interstate moneys.

In other words, the estimate must be approved by the Congress for the interstate program to go forward with the apportionment of 1963 fiscal year interstate funds.

Secondary, H.R. 5200 provides for the rescheduling of the annual interstate authorizations to match the revenues expected as available in the highway trust fund. It also specifies the last authorization at a time that will permit the Interstate System to be completed on schedule in 1972, in accordance with the statement of intent of the Congress in the Federal-Aid Act of 1956, all, of course, based on the percentage mileage and the \$41 billion price tag.

This rescheduling of the annual interstate authorizations to match the money that is to be available is extremely important, for such action can give continuity to the program and give assurances to the States and to the highway industry as to what the program will be each year, so that they may plan an orderly program and do the job at a minimum of cost.

It will soon allow discontinuance of "reimbursement planning" or "contract control" procedure brought about by the greater total highway apportionments being made to the States than the money actually available in the trust fund.

We could then return to the concept of contractual obligation, which is important from the State standpoint.

The disparity between the interstate authorizations of title I and the revenues provided by title II of the act of 1956, acted to introduce uncertainties in the program when the Byrd amendment was

added to the program by the Congress, placing the program on a pay-as-you-build financing, instead of term financing.

Further complications were brought about by increased authorizations and resulting apportionments pursuant to the Federal-Aid Highway Act of 1958, enacted as an antirecession measure, when the increases were financed from the trust fund instead of general revenues.

The combination of these things brought about apportionments to the State highway departments in excess of the money available in the trust fund, which required an obligation control procedure to be applied.

The matter became so complicated that in 1959, the Congress had to provide some temporary financing to avoid a drastic reduction or an interruption in the interstate highway program.

We presume that Chairman Fallon will revise his H.R. 5200 schedule of interstate authorization to match whatever financing plan is developed by the House Ways and Means Committee, if the Ways and Means proposal should differ from the amounts scheduled in the present version of his bill.

Mr. SCHERER. May I interrupt there?

Mr. BRAY. Yes.

Mr. SCHERER. You would prefer, however, that the Ways and Means Committee provide sufficient funds to provide for the authorizations that are set forth in the Fallon bill over the remainder of the life of this program, would you not?

Mr. BRAY. Yes, sir. I would say we would.

As long as the amount of the authorizations are known in advance and they match the money that is expected to be in the trust fund to liquidate the resulting obligations, the State highway departments can plan and execute an orderly program.

President Kennedy had added prestige to the big highway program and has enhanced the chances of its being put back on schedule. We note that his alternate financing program is identical with President Eisenhower's plan for financing the program, which adds the bipartisan flavor.

The State highway departments believe that it is essential that the presently designated Interstate System be completed not later than 1972, if we are to gain in the fight against mounting highway needs. A stretchout is not an effective solution.

1. JUSTIFICATION

With one-seventh of our gross national product coming from highways and related industries and with our economy and way of life so closely oriented around the motor vehicle, adequate and safe highways are essential.

The Interstate System alone, when completed, will annually save at least 4,000 lives, reduce personal injuries by 150,000, and cut economic losses by \$2.1 billion. Many believe these figures to be extremely conservative.

Mr. SCHERER. Pardon me. Is that "cut economic losses by \$2.1 billion" each year?

Mr. BRAY. Yes. Each year.

Mr. SCHERER. All right.

Mr. BRAY. Changing patterns of living and working and the dynamic urbanization that are in evidence are predicated to a very large extent on the comprehensiveness, flexibility, and convenience of highway transportation. An expanding economy is tied to highway development commensurate with needs.

Highways are vital links of our production lines in the current pattern of plant location and dispersal.

Actually only a small part of the cost of owning and operating an automobile goes for building and maintaining highways. The amount averages 12 percent for the Nation.

The cost of insurance and repairs take up a much greater part, because as the late Chief Thomas H. MacDonald of the Bureau of Public Roads aptly said many years ago, "We pay for good roads whether we have them or not."

We are designing and constructing the Interstate System for a time when there will be at least 50 percent more motor vehicles in operation than now and the program is designed so that the construction will be completed and the system be connected up simultaneously in all the States when this added traffic load will be making its effects felt.

The continuing increase in traffic is much more noticeable now than it was in 1956. To delay the completion of the interstate past the design period would be losing the race against mounting traffic needs.

All of the justifications that existed for the Congress to take the action it did in 1956 still exist and are even more evident, plus the fact the onsite construction and offsite industrial employment that would be furnished by putting the Interstate System back on its original schedule is very desirable.

2. PROGRESS AND ABILITY OF THE STATE HIGHWAY DEPARTMENTS

The State highway departments are on schedule for the program on the basis of the money made available through the trust fund.

In developing our policy statements, we have unanimously reiterated our individual and collective abilities and capacities to complete the Interstate System program by 1972, and carry on an equally important ABC Federal-aid program, that would be increased \$25 million annually until the annual authorization reaches \$1 billion per year.

Both of these goals were expressed as the intent of the Congress in the Federal-Aid Highway Act of 1956 and in the legislative history of the hearings.

The State highway departments, by policy action, have called on the Congress to give substance to these statements, of intent in the form of adequate financing so as to give the assurances needed by the States and highway building industry to properly plan the program and keep the costs at a minimum.

Forty of the State highway departments report they can finance their respective portions of the interstate program at a level to complete it in 1972, based on the present pro rata financing.

The other nine indicate they can handle the program at the level required for the next biennium, and anticipate no insurmountable problems thereafter.

Eight indicate they probably will seek additional highway revenues at the State level this year and eight more could do so within the next year or so.

In addition to matching Federal-aid funds, the States have responsibilities of furnishing highway improvements in addition to the facilities furnished by the Federal-aid programs, as well as the maintenance of all the State highway systems including completed interstate projects which require some relatively heavy maintenance expenditures.

We must, of course, keep a balanced program of improvement for all systems. For this reason, we believe the ABC authorizations should be increased \$25 million annually instead of biennially, until a total of \$1 billion annually is reached, and the matter should then be reviewed by the Congress as to progress and needs every 2 years, instead of setting those authorizations for several years in advance.

Mr. SCHERER. You have, no doubt, Mr. Bray, seen the bill that was sent to the Speaker by the administration, which was referred to the Ways and Means Committee, and which provides among other things that the Congress should make authorizations for the ABC system for the entire length of its program from 1963 through 1972. I understand from your testimony that you would oppose that provision of the bill which I have mentioned?

Mr. BRAY. The American Association of State Highway Officials' chief administrative officers have arrived at certain policy statements in their annual meeting last fall. One of them was to the effect that they think it best that the \$25 million appropriations for the ABC roads be increased annually.

Do you want to comment on that, Mr. Johnson?

Mr. FALLON. I think Mr. Scherer's question was, Do you think that this program should be reviewed every 2 years?

Mr. BRAY. Oh, every 2 years.

Mr. FALLON. Instead of the authorization over the longer period?

Mr. BRAY. Yes. I beg your pardon.

Mr. SCHERER. I just wanted him to say that that was what his testimony in substance says, namely, that you would oppose a bill which contained authorizations for the ABC system over the so-called life of this highway program, namely, authorizations made this year by the Congress for the ABC system for the period 1963 through 1972.

Mr. BRAY. Our thought on that in the association in arriving at that policy statement is that we would like to have you gentlemen of the Congress keep interested in and abreast of the highway program, particularly the ABC program, by a biennial review. We think that the conditions in the changing situations in the ABC program, which, after all, is not a program to run to completion at any particular time, but is a long-range continuing program—indeinitely, perhaps—our thought was that policywise we would like to have you folks give it a biennial review.

Mr. SCHERER. And it is obvious from what you say that if we would adopt a provision in the legislation which we are now considering which would provide for those authorizations for the ABC system through the life of the program, that the Congress would to a great extent lose control of that portion of the highway program for that period of years. Is that not obvious?

Mr. BRAY. That perhaps might be. I do not know too much about the operation of Congress, but I can see what you mean. Yes, sir.

Mr. SCHERER. Does Mr. Johnson, who is an expert in these matters, agree with my statement?

Mr. JOHNSON. Mr. Scherer, it has been the considered opinion of the chief administrative officers of the American Association of State Highway Officials, that the Congress should pass on the authorizations to the ABC program biennially.

Mr. SCHERER. He is taking the fifth amendment and not saying definitely he is opposed to the provision.

Mr. FALLON. I think what Mr. Johnson said is that he would agree with what you have to say rather than oppose anything.

Mr. BRAY. May I proceed.

Mr. FALLON. Proceed, Mr. Bray.

3. INTERSTATE COST ESTIMATES

Mr. BRAY. In a report to the Congress and to the public in 1958, the State highway departments stated that they had reached the point of stability in estimating the Interstate System as now designated.

A total of 1.2 million man-hours and 1 full year of time were used by the departments in preparing the 1958 estimate. A logical location was used as the basis of estimate for each route comprising the Interstate System.

The 1961 interstate cost estimate has now been transmitted to the Congress by the Commerce Department. The State highway departments used 1.65 million man-hours and over 6 months of time in preparing this estimate and it confirms our statement of assurance of 1958.

We can stand behind our \$41 billion interstate cost estimate as to the features and component parts making up the system based on current prices. Additions in mileage, changes in concepts or economic influences, over which we would have no control, might change the final cost.

We will, however, assure you that we will do everything within our power to keep the cost at a minimum for the quality and geometrics that are needed.

The periodic cost estimate procedure being employed by the interstate program is a progressive approximation and self-correcting method of apportioning funds to the States on the basis of need to insure the simultaneous development of the Interstate System to proper standards for the traffic needs, giving proper consideration to the many controlling factors and conditions, such as soils, climatic conditions, geography, topography, waterways, and so forth.

In other words, the estimate is for the purpose of periodically apportioning funds and is based on current costs and may not necessarily reflect the final cost.

We wish to make the record clear in this regard, for much of our present difficulties resulted from a lack of understanding of the 1954 interstate cost estimate. In fact, the Congress, in 1956, added some additional cost items to the 1954 estimate, for which it did not provide additional financing. We refer, particularly, to the additional

1,000 miles added and instructions that equal consideration be given to local interests in planning the Interstate System.

Recently the matter of making provision for adequate housing, including the costs of relocation, for those displaced by highway construction has been officially proposed. No costs of this kind are included in our 1961 estimate. We are not yet sure as to what costs are to be borne by the highway program. We understand the matter is still to be decided by the administration.

We realize that certain serious human and economic problems arise by the dislocation of large numbers of people. If we can take "the valley and peak" operation out of the interstate program by receiving reasonable assurances of the continuity and amounts of apportionments, then we can make firm commitments to property owners as to the time of payment and the required vacating of premises.

This would allow sufficient time to be given to permit orderly and unhurried relocations of residents, and would go far in eliminating problems of this kind and at the same time reduce costs.

We have been advised that in certain cases at least attempts to provide this type of relief have been found to raise difficult problems in urban redevelopment projects and often to delay them.

If such a program is to be included, it is recommended that it be done in such a way as not to destroy the usual tests in computing the amounts of money to which owners are entitled for their property, nor to unnecessarily delay the progress of the highway program by disputes as to what is available and adequate housing.

In almost every State just compensation is based upon the market value concept. Any other basis involves conjectural matters and is extremely difficult to control to assure like treatment of all property owners.

While we have no way of estimating the cost of such a program, we would anticipate eventual pressure to extend it to all types of property, that is, commercial and industrial, as well as residential.

We would also anticipate like pressures to require payment for various types of inconveniences and other items heretofore considered noncompensable in the taking of private property for public use.

Mr. SCHERER. Pardon me, Mr. Chairman. Before we leave this subject which you have just been discussing, I think it is important that we clarify the position of the American Association of State Highway Officials with reference to the reimbursement to persons for the costs of relocating. The bill that was sent up by the administration, of course, which is not before this committee but is before the Ways and Means Committee, at least for the time being, has a recommendation with respect to relocating individuals. It is not clear that the administration meant that we should pay out of the highway trust fund the administrative costs for relocating families, or whether we should pay the actual costs involved in relocating families who might be on the right-of-way.

The American Association of State Highway Officials does not feel, does it, that the trust fund should bear the cost of relocating families?

Mr. BRAY. May Mr. Johnson answer that?

Mr. SCHERER. Surely. Yes.

Mr. BRAY. I think he can do it better directly.

Mr. JOHNSON. Gentlemen, I believe this subject has been discussed in this committee at another time. The right-of-way and legal people of the State highway departments have always been very cautious about getting into this matter because they don't know exactly what the cost items might be.

We did not include it in our 1961 estimate because it was not one of the items called to our attention, and we likewise do not know to what extent it is to apply, or how much would come out of the trust fund, and whether it would be only administrative, or so many dollars per room. We do not know anything about it, but we know if you can give us enough leadtime on each of our annual programs, and enough continuing assurances, that we could reduce the human problems and costs, and all of the inconveniences of moving people, and probably avoid even putting it into the trust fund at all.

Mr. SCHERER. I understand what you said, but if it should be the intent of the bill that is before the Ways and Means Committee now, and which we will have to consider, that Congress should provide for the costs of removing families, that is, not for the administrative costs of a program to supervise the moving, but actually for the costs of removing and relocating families out of the trust fund, those figures, although we do not have the exact amounts, would amount to astronomical sums. I would oppose that and I think your organization would too, but I think you should say it here emphatically that you would oppose such a thing in order to give to us Members of Congress who are going to carry that burden, some support in that effort. That is, if you are actually going to oppose it.

It will take a lot of money that will otherwise go into roadbuilding and construction.

Mr. BRAY. Mr. Scherer, testifying as I am for the American Association of State Highway Officials, our organization has not taken a position to that extent in the matter, and I do not believe I could say, therefore, for our organization that we would take that position. I do not think I have the authority to do it.

Mr. SCHERER. I really think your organization should consider that and I respectfully suggest that you do consider it, and before these hearings are concluded, or before the record is printed, or before we act on this measure, that you advise us of the position of the American Association of State Highway Officials in this respect.

Mr. BRAY. All right, sir.

Mr. SCHERER. Because this to my mind could be the basis for the greatest raid on the trust fund that we have ever had. I don't know what the exact amounts are, but if you start paying, as was suggested by this committee 2 years ago—I think there was an amendment before this committee to do just that—if you start paying for those costs in some of the big cities we are going to build a lot less roads.

I was very much impressed with the testimony of the right-of-way director from the department of highways of the State of California the other day, who said just what Mr. Johnson said now, namely, that if you have sufficient leadtime and you set up proper procedures, nobody is really hurt. Then you can move these people without paying for it at Government expense.

Mr. CRAMER. Will the gentleman yield on that point?

Mr. SCHERER. Yes. Surely.

Mr. CRAMER. I don't see where there is any question about it coming out of the trust fund in the proposal made by the administration, because section 108 of the proposed bill amends chapter 1 of title 23 by including in the definition of the term "construction" the following:

* * * (including the administrative expenses of providing arrangements for the relocation of families under section 109(g)) and elimination of hazards * * *.

That is included in the definition of "construction." Then subparagraph (b) adds a new subsection to section 109 which specifically provides for relocation on a much broader scale—

* * * to assure that there is a feasible method for the temporary relocation of families displaced by acquisition or clearance of rights-of-way for any Federal-aid highways * * *.

That means ABC and all of the rest.

* * * and that there are or are being provided in areas not generally less desirable * * *.

That is the State's responsibility.

Mr. BRAY. That is right.

Mr. CRAMER (continuing):

* * * and that there are or are being provided in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced by the acquisition or clearance of such rights-of-way, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment.

Mr. SCHERER. The States become nursemaids under that language.

Mr. CRAMER. The States are going to have to provide public facilities and public utilities and public and commercial facilities. You are going to have to see that a shopping center is nearby, and you are going to have to see that there are adequate telephones, and adequate lights, and adequate sewers. You are going to have to see that there is an equal number of available rental facilities. You are going to have to see that these facilities are close enough to where they are employed as compared to where they previously lived.

Does that sound like a responsibility that the States are willing to accept?

Mr. BRAY. I think we point out in our statement here at the top of page 9 of our prepared statement that we think this whole matter would present some complex problems. I think the purpose of our statement here on that subject was twofold: Simply to say that we call attention to the fact that we think, the State highway departments think, there would be some very difficult and complex problems presented; and, secondly, to call the attention of the committee to the fact that we have not included any proposed cost of this work in our present proposed estimate.

Mr. CRAMER. Can't you see where such a requirement would result in almost unlimited delay in getting the highway programs underway, as it has done, and as you do express the opinion that it has had that effect in urban redevelopment projects?

Mr. BRAY. I think it could result in some delay. We make the point here that if we do get some leadtime ahead, the delay can be minimized then.

Mr. CRAMER. How are you going to get enough leadtime when every time you get a new State administration in many States there is a shift in policies and a change in the program, and you have to go into a new crash program every time a new Governor is elected? How could you get any long leadtime or continuity into the program under those circumstances? Isn't this going to hamper it just that much more?

Mr. SCHERER. Will you yield again?

Mr. CRAMER. I would like to have him answer the question first.

Mr. BRAY. I think that the things you say are—you make a point that has some substance, I think. Yes. I don't know how much.

Mr. CRAMER. It has happened in Florida now.

Mr. BRAY. But all of those things are factors that would enter into it, of course, at some places at some times.

Mr. CRAMER. Here they are going to encumber the program with another very broad requirement before the highway construction can get underway, and at the same time that the State officials would certainly be concerned about such a broad, comprehensive relocation requirement.

Mr. SCHERER. In fact, the law specifically says that the Secretary of Commerce cannot apportion the money to the States, or approve contracts until and unless he is satisfied that these situations and conditions which you have mentioned with reference to relocation are met.

Mr. CRAMER. That is what I said, "As a condition precedent." As a condition precedent to his approval under section 106 he shall require the State road departments to do these things. So you cannot even get a contract authorization after you acquire your rights-of-way—a contract authorization to go ahead with even letting contracts before the relocation of these people and the provision of a shopping center and adequate utilities being provided, and seeing that they are close enough to their place of business.

Mr. BALDWIN. Will the gentleman yield?

It seems to me there is an even further aspect of this, and that is if this actually were put into law then the States would be in this position on other roads that did not have any Federal aid. If the people on any road that was Federal aid found themselves entitled to all of these additional things, then the State would almost of necessity have to provide the same treatment for people on State and county roads. Otherwise they would say they were being discriminated against. So you would be faced with that further on State and county roads.

Mr. BRAY. I think that is possible that it could happen in some States. I think so. Yes. Mr. Scherer, if I may answer your question, and perhaps it has not been answered, and I think it was a question, Mr. Johnson tells me that he thinks by telegraphic inquiry we can get the consensus of our State highway officials on this question throughout the country. I am not able to say what they will state now because they have not had this problem posed up to now, but we will get that and file it with the committee.

Mr. SCHERER. We had some testimony before the Blatnik committee about the tremendous burden on the State highway engineers in carrying out the road program. If you add this to your State highway officials they are really going to have the job of a wet nurse for the next 10 years in addition to building highways.

Mr. FALLON. May I point out in this connection, some questions on that subject were propounded to the representatives of the Department of Commerce, and none of the questions were answered to any great degree, but we were told that this subject was still under study, and that they could give us more detailed information as to what was expected of the State highway departments, and also some idea on the cost of this thing. So I could not expect you people to know.

Mr. BRAY. No, we do not know.

Mr. FALLON. We could not expect you to know just exactly what is expected of you from the language that is in the message from the administration, when they do not seem to know too much on the subject themselves.

Mr. SCHERER. I am trying to build up a little storm, you see, under our good American Association of State Highway Officials, to have the Bureau and the administration make up their minds to get rid of this silly language.

Mr. CRAMER. They are going to put the Housing and Home Finance Corporation out of business. They are going to take over the urban development program in the State highway departments if this goes into effect. There will be a complete discharge of their responsibility, and they will get you people into the business of relocating these displaced people who are now being relocated, I think, through a very effective housing program under the present law.

Mr. FALLON. May I say when this subject comes before the committee, which it will in time, we expect probably to have the Department of Commerce representatives back here. If by that time the American Association of State Highway Officials group expressed their opinion, that would be satisfactory.

Mr. BRAY. Yes, sir. We will have it, Mr. Fallon.

Mr. SMITH. I was about to say we have not had the administration point out what the details are of this program, and I doubt that any of us up here are in a position to expound on it.

Mr. SCHERER. I have been able to read the law and the proposed legislation.

Mr. SMITH. Some of our colleagues would like to say in detail what the administration is going to do on it when they have not even spoken themselves.

Mr. CRAMER. You can read it here.

Mr. SMITH. Oh, you read a section in there.

Mr. CRAMER. It says "the White House" on here.

Mr. FALLON. This subject alone could take the whole day. I think if the committee will wait until we have this before us again, then maybe we can get a more detailed expression from the Department of Commerce, and by that time this organization could also give us their thoughts on it.

Mr. CRAMER. In order to clarify the record on this point, I was reading from a transmittal by the President to Congress signed by John F. Kennedy and dated March 14, 1961, in which that specific language is used. That is for the record.

Mr. SMITH. I'm sorry, sir.

Mr. SCHWENGEL. It says "immediate release."

Mr. FALLON. That was discussed on Tuesday.

Mr. SMITH. I was not talking about that.

Mr. FALLON. The Department of Commerce said that they would rather come back at another time after they have studied it fully and give us a detailed report.

Mr. SMITH. You show me the words "wet nurse" in there and I will give you a million dollars for every word in it.

Mr. CRAMER. That is the gentleman from Ohio's word.

Mr. SMITH. No, you used the word.

Mr. CRAMER. No, that is the gentleman from Ohio's word.

Mr. SMITH. No.

Mr. SCHERER. I stated it was a reasonable inference from the language in the administration bill.

Mr. FALLON. I have great sympathy for the reporter when three of you ask questions at one time. If you would ask the questions of the Chair I am sure he will do a better job.

Will you proceed with your statement, Mr. Bray?

Mr. BRAY. Yes.

4. THE URBAN PORTION OF THE INTERSTATE SYSTEM

In the year of 1960, 7 out of every 10 Americans were urban dwellers. The economic and other controlling trends indicate that 7 out of every 8 will be in 1975, the year for which the Interstate System is being designed.

With automation and mechanization, production per unit worker is increasing with a greater percentage of our people leaving the production group and entering the services categories which are urban based. It also indicates increased free time for the individual, which in turn adds to highway needs.

Agricultural mechanization and increased production are responsible for large numbers of rural dwellers moving to cities.

During the 1950-60 decade, we gained 28 million people in the United States. A total of 22½ million of these were concentrated in our 212 metropolitan centers. The rural population actually decreased by half a million.

As population concentrates, the movement of goods, services, and people becomes more and more important within the urban area and between cities. Modern highways are a requirement to meet the flexibility and service demands of such transportation.

New industrial plants are locating on modern highways close to large cities to be nearer markets and labor sources.

The urban centers are the traffic generating areas that will supply most of the traffic using the rural sections of the Interstate System. The urban portion of the system is necessary to collect and distribute this rural intercity traffic.

The retention and completion of the urban portion of the Interstate System by 1972 is essential. It is equally as important as the rural sections linking the cities.

The Bureau of Public Roads and the State highway departments, realizing that a large part of highway needs and responsibilities of the future are in the urban areas, are taking the lead in a scientific and a rational approach of urban transportation planning and in evaluating and applying the interrelationship of highways and urban

development. Our joint committee with the American Municipal Association has worked to develop understanding and solve many mutual problems.

5. DESIGN STANDARDS

The chairman of the House Ways and Means Committee requested the State highway departments to make a complete objective appraisal of the interstate program, to determine if its cost could be reduced, with particular attention to the design standards being applied.

That study was transmitted to the House Ways and Means Committee on March 14, 1961, and it can be summarized in the following statement:

There are no reductions of any moment possible without seriously sacrificing essential quality, service, and safety.

We still endorse that position.

6. FEDERAL PARTICIPATION

The 90 percent contribution of the Federal Government to the development of the Interstate System was considered by the States as a contractual offer, which the States accepted. We now consider it a commitment, and we have planned our State financing for construction and maintenance accordingly.

To reduce the 90 percent would result in a stoppage or a serious delay in the program in every State. It would definitely make the completion of the Interstate System extremely indefinite.

The States would have to raise the decreased amount at the State level, where the pressure is for money for roads that are more local in character. Some States would be unable to raise the necessary additional funds.

It is in the national and the public interest to finance the interstate program through the Federal mechanism and continue the pro rata financing, as set up in the Federal-Aid Highway Act of 1956.

The State highway departments agree with the present ABC program matching and with the present division of the total ABC authorizations between the primary, secondary, and urban categories.

7. SUGGESTED NEW LEGISLATION

The American Association of State Highway Officials-American Municipal Association Joint Committee has recommended that Federal-aid ABC funds authorized for use on the Federal-aid secondary system be made available to finance projects on Federal-aid secondary route extensions inside urban areas. Currently the only ABC Federal-aid funds that can be used are those of the primary and urban categories. The State highway departments, by policy statement, agree to this change.

The State highway departments, realizing the pressing need for the maximum use of space in large urban areas, by policy statement recommend to you that airspace above or below the established grade line of an interstate highway be made available for purposes that would not impair or endanger the highway facility or interfere in any way with the free flow of traffic on the highway.

The existing language in this regard limits the use to the parking of motor vehicles and limits such use to the State or political subdivisions thereof. The proposal of the State highway departments would allow private use of the space, such as housing or private parking, subject to effective Federal and State regulations being promulgated before any such airspace is utilized, and that any additional expenses that may be required to insure the full use and safety of the highway should be furnished by the interests utilizing the space.

Mr. BALDWIN. Mr. Bray, this was the recommendation presented to the American Association of State Highway Officials for your approval by the California Division Highways, was it not?

Mr. BRAY. No, sir. Not first. It was taken up originally, and this conclusion was reached in regard to policy at our Detroit meeting, I believe last November—the annual meeting of the American Association of State Highway Officials' chief administrative officers. I understand recently that the California people have been very anxious that something be done in this respect, but it was initially approved by all of our chief administrative officials as the policy at Detroit last November.

Mr. BALDWIN. In other words, there are quite a number of State highway departments that feel this change would be advisable?

Mr. BRAY. Yes. The majority did. In fact, I don't recall any dissenting voice at the time. Is that right?

Mr. JOHNSON. That is right.

Mr. BALDWIN. Thank you.

8. CONCLUSIONS

Mr. BRAY. (a) We recommend that the Congress approve the 1961 cost estimate.

(b) We recommend that the interstate authorizations be rescheduled to match the expected revenues available for the Interstate System in the trust fund and that the schedule provide for the completion of the Interstate System, as now designated, in 1972.

(c) We recommend that when you again consider the ABC program, that the ABC authorizations be increased \$25 million annually, until the figure of \$1 billion per year is reached in accordance with your intent, at which time the Congress and the State highway departments should again review the matter of ABC system needs. We believe this important program should be reviewed and evaluated biennially by the Congress.

(d) We recommend that Federal-aid secondary funds be made available for expenditure on Federal-aid secondary routes inside urban areas.

(e) We recommend that the airspace under and over Federal-aid interstate highways inside urban areas be made available for other purposes than the public parking of vehicles provided proper regulations and safeguards are promulgated at the Federal and State level.

Thank you.

Mr. FALLON. Mr. Bray, on behalf of the committee I appreciate you taking your time to appear here this morning. Are there any questions on my right? Any questions on my left?

Mr. SCHERER. Just one. You discussed in your statement, Mr. Bray, the maintenance of the 90-10 formula. I believe you were before the Ways and Means Committee last week where the continuance of this 90-10 formula was questioned. It was suggested that there would be a great saving to this program if the States' share was increased and the Federal share reduced.

From the questions asked at that time it was indicated that the States would be more careful with the expenditure of their own funds if they had to contribute more to the Interstate System. I do not personally share those views, as you know. But nothing was put in the record before the Ways and Means Committee to counteract that argument made as a result of the questions asked. I am wondering whether Mr. Johnson or you would want to take the opportunity now to put in the record the arguments which would counteract the suggestion that was made before the Ways and Means Committee.

I realize that the Ways and Means Committee does not have anything to do with changing the formula, but they would like to, or some people on it would.

Mr. BRAY. Well, I think your question perhaps is a little bit of a twofold one, perhaps. I think perhaps you intended it that way. In the first place, I think it would be——

Mr. SCHERER. Maybe I can express it differently. It was twofold. I am directing my question specifically to the argument advanced that the States would be more careful in their expenditures.

Mr. BRAY. Yes. I thought that was perhaps it.

Mr. SCHERER. That they would be more careful in the expenditure of funds if they were paying a larger proportion of the Interstate System costs.

Mr. BRAY. Yes.

Mr. SCHERER. The reason why I ask you and want you to put it on the record is, as I talked to other Congressmen I have noticed that that thinking is gaining some acceptance.

Mr. BRAY. Yes.

Mr. SCHERER. As I said, I do not agree with it, but I think we should get it on the record from the people who are responsible for the carrying out of the program in the States.

Mr. BRAY. I recall that question in the committee the other day, and I think I did not answer it specifically, not because I could not have but because I did not get around to it. The questioning perhaps involved other matters at the same time. But anyway, to answer your question specifically, I will now answer it and say this: I think very definitely that the highway departments—and I believe I can speak for them in that regard—do give extremely careful consideration to everything on the Interstate System—just as careful, and if anything, well, I hesitate to say more careful than the A-B-C but certainly as careful in regard to all matters like programing, planning, design, construction, and every phase of it. I think all of us in the State highway departments realize very much our extreme responsibility on the Interstate System program because of the large amounts of money involved and the great importance of the system.

I think to repeat that I would say I would make the unqualified statement that I think the State highway departments give just as much consideration to the Interstate Systems as they do to the A-B-C program.

Mr. SCHERER. I am wondering, Mr. Johnson, if your organization could not submit for the record the arguments to counteract that, because as I said I feel the same way you do about this formula change, but I think it would be important to give us here in the Congress the benefit of any and all arguments that might be made to support the present formula.

Mr. FALLON. Will the gentleman yield?

Mr. SCHERER. Yes. Surely.

Mr. FALLON. I noticed on page 11 of your statement, I think, a pretty good summary of it, where you say:

To reduce the 90 percent would result in a stoppage, or a serious delay in the program in every State. It would definitely make the completion of the Interstate System extremely indefinite.

Another thing in your statement that I regard would counteract any suggestion that might be made to reduce this formula is your statement following the one I just quoted, to this effect:

The States would have to raise the decreased amount—

that is, the additional money—

at the State level, where the pressure is for money for roads that are more local in character.

That means, for instance, in my State I do not think the eastern end of the State has an interstate highway at all. So they are interested in roads of a local character; and over one-third of the members of the legislature come from the eastern end of the State. So it would be very difficult in my State to raise money or to raise the percentage that the State would have to match. It would be very difficult because of the lack of sympathy for the Interstate System in that section.

Mr. SCHERER. There is no question but that they make a good argument in this memorandum as to why the formula should not be changed, except that there is nothing to dispute the contention raised in the Ways and Means Committee that the States would be more careful in the expenditure of funds if they were compelled to contribute a larger share. That is the only thing I am interested in and that is the only thing they are making headway with in the Congress as I have talked to another Member of Congress.

Mr. JOHNSON. I would like to say in looking back over a great many years of experience in operating a highway department that actually the source of the amount of funds has very little to do with the attitude or philosophy of the designer or construction engineer. Actually, they do the same fine job in my opinion, regardless of the source of the funds. It is their nature to be ultra-conservative. There is nothing else displayed in the highway departments.

Mr. FALLON. Are there any other questions?

Mr. CRAMER. Can I ask a question, Mr. Chairman?

Mr. FALLON. Mr. Cramer.

Mr. CRAMER. You indicate in your statement that the States are tooled up and most of them are already able to take care of the matching funds, and those that are not presently, are ready to take care of the problem in the future. As a counterpoint to that, what would be the effect if Congress should not provide adequate funds to finish the

program in 1972, in your opinion, talking about the interstate system program now.

Mr. BRAY. Well, very definitely I do not think that there is but one answer to that in my opinion, and that would be that if Congress does not provide the share of the Federal funds that is expected, the program would not be finished in 1972. Is that the answer to the question you meant to ask?

Mr. CRAMER. That is the question, but——

Mr. BRAY. In other words, we could not do it with State funds, I am convinced of that, and finish it in 1972.

Mr. CRAMER. Do you agree with the opinion expressed yesterday or the day before by the Bureau of Public Roads that it would result in a substantially increased cost to delay the completion?

Mr. BRAY. Yes. I would say in all probability it would. Yes. In all probability.

Mr. CRAMER. That is all.

Mr. FALLON. Thank you very much, Mr. Bray and Mr. Johnson.

Mr. BRAY. Yes. Thank you, gentlemen.

Mr. FALLON. Our next witness is Maj. Gen. Louis W. Prentiss. The general is the executive vice president of the American Road Builders' Association. General Prentiss is a retired major general of the U.S. Army.

We are very glad to have you here this morning, General. I might tell you that the committee always appreciates your appearing here, and the organization which you represent, which has supplied this committee with very much valuable information, and has been a great help in the past in trying to keep this program on schedule and doing a marvelous job for it.

General Prentiss.

STATEMENT OF MAJ. GEN. LOUIS W. PRENTISS (U.S. ARMY, RETIRED), EXECUTIVE VICE PRESIDENT, AMERICAN ROAD BUILDERS ASSOCIATION

General PRENTISS. Mr. Chairman and distinguished members of the Public Works Committee.

The American Road Builders Association is very appreciative of having this opportunity to present our views before your distinguished committee with reference to H.R. 5200.

I am Louis W. Prentiss, executive vice president of the American Road Builders Association. Next year our association, a national federation of highway interests, will celebrate its 60th anniversary in the field of advocating good roads.

"Our Federal-aid highway program is in peril." These are not my words. These are the words of the President of the United States in his special message to the Congress of February 28. He has sounded the alarm, loudly and clearly. Prompt action by the Congress is required to salvage the program which, through the leadership of this committee, was established by the Congress in 1956.

Ever since the birth of the Federal aid to highways in 1916, the unswerving basic policy of ARBA concerning Federal aid to highways has been the advocacy of the balanced, long-range, soundly financed, Federal-State construction program needed by our country to meet

the demands of an expanding economy, an exploding population, the safety of the driving public, and the national defense.

These objectives of American Road Builders Association were embodied in the concept of the national highway program advanced by this committee in 1956. Your committee, Mr. Chairman, made a tremendous contribution to the advancement of the highway program, through its foresight and wisdom in drafting the House version of the 1956 act. The legislation finally enacted by the Congress unfortunately did not provide for the long-range, soundly financed program which was sought and intended.

Instead, the highway program since 1956 has moved from one crisis to another until today, for a number of reasons, we find that we have moved from a series of crises into the state of peril described by the President.

Death, damage, and delay on our principal highways continue to increase. While much work has been done on the Interstate System which is the core of the national highway program, the motoring public has been disappointed in the rate at which new segments of the system are being opened to travel. In a number of States, there is agitation for the construction of toll roads to fill the immediate and pressing needs which have not, up to now, been met by the Interstate System. In other States, highway leaders are seeking ways to accelerate the construction of interstate highways through bond issues, by which the States would borrow against future Federal apportionments. This situation is by no means the fault of the Bureau of Public Roads or the State highway departments. These agencies have rendered outstanding performances in carrying forward the program under severe financial limitations.

In all of the States, plans for the future are uncertain, in view of the uncertainty of future apportionments which, under present law, would be reduced sharply below program requirements. In short, the highway program as conceived in 1956 is facing a serious setback. It can be rescued only by the Congress.

President Kennedy's proposals provide a sound and logical plan for the completion of the Interstate System with a balanced program for the ABC highways. His plan is in harmony with the earlier recommendations of President Eisenhower, and therefore deserves to be called a bipartisan highway plan.

It is, moreover, a plan which recognizes the fact that the financial resources of the Federal Government are not unlimited, and that additional revenue for the highway trust fund must be supplied in such a way as not unduly to impair the ability of the general fund of the Treasury to provide for other Federal programs.

The Kennedy plan is—let's face it—a compromise. The 1956 Highway Act provides for a series of 13 annual interstate authorizations, beginning with fiscal year 1957 and ending with fiscal year 1969, with the intent that the system be completed simultaneously in all of the States as nearly as practicable, and as soon as practicable after the date of the final apportionment.

President Kennedy's plan proposes a 2-year stretchout in the period of authorization by providing for additional authorizations in fiscal years 1970 and 1971.

This stretchout is acceptable, in our judgment, because it will still be possible, with close coordination of right-of-way acquisition, preliminary planning and engineering, and the letting of construction contracts, to achieve substantial completion of the Interstate System by the end of calendar year 1972.

We would prefer an earlier completion date, but we recognize the practical realities of the situation.

We also recognize that the Kennedy plan does not offer any promise that "contract controls" will be abolished immediately, in order to make available to the States at once Federal funds to the full extent of the apportionments.

We would, of course, prefer to see "contract controls" ended, so that apportionments may be converted to completed highways at the earliest possible rate, but, again, we recognize the realities, and the restrictions which are inherent in the pay-as-you-go principle.

In sum we regard the Kennedy plan as a practical one which, while it falls short of determined needs, is a sound both-feet-on-the-ground approach to the highway dilemma.

It also represents, in our opinion, the greatest tolerable stretchout of the highway program.

We find it almost incredible that some astute and practical persons are still talking about postponing the completion of the Interstate System to 1973, or 1974, or 1975, on the theory that 1 or 2 years more or less will make very little difference.

It makes a great deal of difference—and not alone because every delay in the completion of the system means a continuation of the extra costs in lives and money which are the price we pay for driving on inadequate highways. These costs are immense, we agree. The average motorist is now paying the equivalent of 20 cents per gallon of gasoline consumed for accident costs—and this appalling toll can be significantly reduced.

These accident and insurance costs amount to more than \$9.5 billion annually, and these costs, paid out to insurance companies, body repair shops, hospitals, and mortuaries, can be significantly reduced by the completion of the Interstate System.

Experience has shown that, on highways of the interstate type, accident frequency is reduced by two-thirds and accident fatalities by one-half. On this basis, when the time comes that the Interstate System is carrying 20 percent of all traffic—for which it will be designed and built—we can anticipate annual savings in accident costs of well over \$1 billion a year. This is in addition to savings in operating costs of those vehicles operating on the Interstate System of at least \$1¼ billion annually.

Considering these direct benefits alone, it is the poorest kind of economy to postpone the completion of the Interstate System beyond 1972, the presently contemplated completion date.

However, it is taking a very narrow point of view to look upon the Interstate System merely as a convenience to motorists. The highway system should be regarded in the larger sense—as one of the principal foundation stones for the economic development of the country, including the enlargement of our industrial base, the development of our natural resources, and the revitalization of our cities.

The longer we delay in putting this highway foundation stone in place, the more we will be frustrated in our other efforts to provide the basis for an enduring prosperity in this country.

Either of the revenue programs presented by the President is adequate to permit construction to proceed as proposed in H.R. 5200, both as to the total funds provided, and the requirement for an even, predictable flow of revenue.

H.R. 5200, as introduced by Chairman Fallon, accepts the 1961 cost estimate as the basis for the apportionment of funds to the States for the fiscal years 1963, 1964, 1965, and 1966; and revises the annual authorizations to provide for the substantial completion of the Interstate System by the end of 1972, in line with the recommendations of the President.

The 1961 cost estimate, we believe, is a sound estimate. It has been prepared by the State highway departments, using criteria and methods developed in detail by the Bureau of Public Roads, and with the Bureau providing the necessary supervision to attain uniformity. It is the first cost estimate to take into account the full 41,000-mile system, and it is also the first to include the necessary amounts for research, planning, and administration. With 4½ years of actual construction experience behind them, the States have been able to produce a cost estimate which we believe will prove to be a very accurate one.

The 1961 cost estimate is based on average low-bid prices in each State during the fiscal year 1959. Unit prices of highway construction nationwide have decreased steadily since 1957 and today the taxpayer's dollar buys more highway construction than in any year since 1955.

The declining bid prices which we have witnessed during the last 3 years can be attributed in no small part to intense competition among contractors, who, as a group, are operating at about 50 percent of capacity.

In view of our expanding population and the increasing urbanization of our country, we see no reason to believe that the cost of right-of-way will not increase steadily over the years.

Considering both construction costs and right-of-way costs, we believe that highways will never again be a better bargain than they are at the present time.

The provision of a firm schedule of authorizations and apportionments far enough in advance to permit proper long-range planning will be of great value to all concerned in going forward with the completion of the Interstate System.

Witnesses for the administration testified earlier before this committee concerning authorizations for the A-B-C program through 1972.

In this connection, there is an important difference between the interstate program and the A-B-C program.

The completion of the Interstate System can be considered as a single public works project—an immense project, to be sure, requiring the coordinated efforts of a great many individuals and agencies, but, nevertheless, a single project.

The A-B-C program, on the other hand, is a continuing program of aid to the States, with no fixed mileage of roads to be improved in

a predetermined period of years, as is the case with the Interstate System. Traditionally, Congress has reviewed the A-B-C program in alternate years and has provided biennial authorizations, and this procedure has allowed the States ample leadtime to establish and maintain stable programs of A-B-C work.

It seems appropriate to us that this procedure, which has worked well in the past, be continued, and that the committee at this time not attempt to make provision for A-B-C authorizations through fiscal year 1972.

We agree that the needs of the A-B-C program through 1972 must be estimated in order to arrive at an accurate estimate of the total revenue needed for the highway trust fund. We believe that a declaration of intent to increase the A-B-C authorizations in increments of \$25 million annually, until the \$1 billion level is reached, would be appropriate and helpful.

The draft legislation submitted to Congress by the President includes a revision of the definition of the term "construction" in title 23, section 101, United States Code, to include as right-of-way costs—the administrative expenses of providing arrangements for the relocation of families under section 109(g)—

and adds a section 109(g) to the code, which would require the State highway departments to assure the Secretary of Commerce—

that there is a feasible method for the temporary relocation of families displaced by acquisition or clearance of rights-of-way for any Federal-aid highways—

this says "for any Federal-aid highways"—

and that there are or are being provided in areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the means of the families displaced by the acquisition or clearance of such rights-of-way, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their place of employment.

The language is broad and susceptible to a variety of interpretations. We have two principal objections:

1. The cost to the highway trust fund has not been estimated.

2. No estimate has been made of the amount of delay which would result to urgently needed highway projects in urban areas.

Until these objections are answered, we are opposed to the proposal.

The President, in his special message to the Congress, eloquently pointed out the benefits to highway users—the savings of at least 4,000 lives per year, the elimination of costly delays and aggravating stops and starts. The advantages to highway users are unquestionably immense. In fact, the benefit-cost ratio of the Interstate System has been reported by a representative of the Bureau of Public Roads as 4 to 1, or \$4 of benefits for every \$1 of investment.

It is equally important, we believe, that we make timely provision for the economic growth of the country, to keep our standard of living high, to provide job opportunities for the millions of young people who are entering the labor force annually, and to take steps to encourage the revitalization and orderly growth of our cities and metropolitan areas. In all of these related activities, which come under the general heading of "building America," the development of an efficient highway system plays a vital role. It is one of the most important foundation-stones to a sound and lasting prosperity.

Finally, it is essential that we get on with the job of building the Interstate System so that it may serve its purpose as an element of our national defense. Since 1956, when the system was officially designated as the National System of Interstate and Defense Highways, the concept of mobility has been given increased emphasis by our defense planners. Now, more than ever before, we are basing our defense preparations on the premise that we must be able to move our defensive and retaliatory weapons, our military supplies, and our manpower, with speed and precision. Our highway network plays an important role in the implementation of this concept of mobility.

The American Road Builders Association believes that President Kennedy's proposal will make possible:

- (a) A balanced construction program.
- (b) A long-range program (12 years).
- (c) A soundly financed program.

The American Road Builders Association believes that the people of this country want these roads and are willing to pay for them.

The American Road Builders Association believes that our country cannot afford the price, in either lives or money, of further delay.

The American Road Builders Association, therefore, supports H.R. 5200 100 percent and urges its early enactment.

Mr. Chairman, I want to thank you very much for this opportunity to appear here before you.

Mr. FALLON. On behalf of the committee, General, I would like to thank you for a very fine statement. It cleared up some things that have been doubtful in the minds of several members of the committee, and on behalf of the committee we thank you for taking the time out to come up here and give us the benefit of the American Road Builders Association's views. Are there any questions? Mr. Scherer.

Mr. SCHERER. Of course, I think it is a very fine statement because I agree almost 100 percent with what the general said. I commend the American Road Builders Association for taking a positive stand on some of the issues that this committee is going to have to decide. While it is not a matter for the consideration of this committee I note that you did say that the American Road Builders Association favored the continuance of the pay-as-you-go features of this program and that you do not feel that this program should be financed by deficit spending, because of the adverse effect that it might have on the financial stability of the Government. Am I right in that?

General PRENTISS. For several reasons. First of all, we believe that the benefits are so great and that the immediate benefits to those who are going to pay in taxes will exceed the tax which they pay and, therefore, the public can pay for these highways as they build them. Secondly, we do not want to arrive at a period such as 1972 and find ourselves in a position where our highway program, which we are sure is going to have to be a continuing one, would be handicapped by having to pay for the roads which could have been paid for during the 10 or 12 years that lie ahead.

Mr. SCHERER. Then I understand that you favor either of the two alternate proposals advanced by the President for financing this program?

General PRENTISS. That is correct.

Mr. SCHERER. And that you agree with him that we should not divert any funds from the general Treasury to finance the additional \$10 billion that is needed to complete this program by 1972?

General PRENTISS. We do not believe that there has been demonstrated at this time a positive reason and a quantity of funds that should be transferred to the highway trust fund from the general funds of the Treasury; and that either of the two procedures is sound and would do the job.

Mr. SCHERER. Thank you very much.

Mr. FALLON. Mr. Schwengel.

Mr. SCHWENGEL. Mr. Chairman, I would like to join my colleagues in saying that I do appreciate the wonderful statement you made, General.

General PRENTISS. Thank you, sir.

Mr. SCHWENGEL. And the observations in many instances that you left with us were very significant. I do want to call attention to one statement you made and ask for some elaboration on it, if you can give it now and, if not, furnish it for the record later.

You commented on the savings of this program. You said in accidents alone we would save \$1 billion a year. I think this can be documented. It is one item I would like to see documented for the record because I think this is very important for us to understand and, more important, for the public to understand. If they understood the impact of this they would be more likely to support some of the propositions we have made to raise more money to pay for the building of the highways on a pay-as-you-go basis rather than on a deferred basis, as you mentioned.

Mr. SCHERER. Will the gentleman yield? You said that the savings resulted in \$1 billion a year. My recollection is that the general's testimony was that the savings would amount to \$2¼ billion.

Mr. SCHWENGEL. No, I am just talking about the savings from eliminating accidents alone.

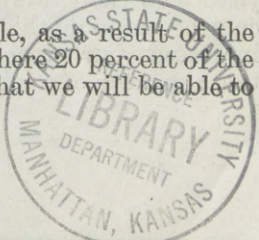
Mr. SCHERER. Oh, from the accidents alone.

General PRENTISS. In that connection, Mr. Congressman, the Bureau of Public Roads has compiled a comprehensive study of what it costs to own and operate an automobile. One of the factors in the owning and operating of an automobile is the cost of the insurance that the average individual pays for, or he pays for the accidents that are not covered by his insurance.

Mr. SCHWENGEL. That is right.

General PRENTISS. As I recall the figures—and these, of course, can be furnished by the Bureau of Public Roads—the total cost of the owning and operating and maintaining of an automobile over a 10-year period—in other words, if you own an automobile for 10 years—the total cost will be the equivalent of \$1.40 per gallon of gasoline consumed. That is predicated upon about 10,000 miles of driving per year, or 100,000 miles over a 10-year period. Out of that \$1.40, 20 cents or 21 cents represents the cost expressed in terms of the cost per gallon of gasoline consumed for the insurance that the average motorist has to pay for.

Now it was our contention that if we are able, as a result of the designing of safety into the Interstate System, where 20 percent of the traffic will travel on those interstate highways, that we will be able to



effect a savings by reducing the accident rate by two-thirds and by reducing the fatality rate by 50 percent—it was our contention that these savings will have their impact nationwide on insurance costs and the other accident costs that such accidents now entail.

Mr. SCHWENGEL. And on every other phase of the American economy, because then there would be more money to spend for other things.

General PRENTISS. That is correct.

Mr. SCHWENGEL. I would like to have you elaborate on the other statements you made about the \$1,250 million saving on operating costs.

General PRENTISS. There is a figure that has been compiled, and one which I have used in previous testimony before this committee, that with the completion of the Interstate System the vehicles which use the Interstate System, the trucks that use the Interstate System, will enjoy a saving of \$750 million annually in operating costs, and private automobiles will enjoy a saving of \$500 million annually in operating costs. These figures are predicated upon the experience that truckers and private automobiles have compiled by driving on interstate type highways, and they represent the reduction in wear and tear, and other operating costs.

Mr. SCHWENGEL. I call your attention to your statement on page 6 where you say:

Unit prices of highway construction nationwide have decreased steadily since 1957 and today the taxpayer's dollar buys more highway construction than in any year since 1955.

Here again I am sure it is a true statement, but it is an amazing thing to note that in this period of inflation, during this time when everything else has gone up, that you people in the construction industry have been able to bring down the cost per unit of building highways. That is interesting.

General PRENTISS. That is predicated on the—

Mr. SCHWENGEL. That is a marvelous record.

General PRENTISS. I think so, and I think in addition to the contractors, who have certainly played a major part in it, that the technological developments that have taken place during this time have contributed to the ability of the contractors to build these highways, and this represents a comparison of the unit costs, the unit costs for all types of highway construction including structures, and it is a composite that has been prepared and compiled by the Bureau of Public Roads.

Mr. SCHWENGEL. Also you testified in the next paragraph that:

The declining bid prices which we have witnessed during the last 3 years can be attributed in no small part to intense competition among contractors who, as a group, are operating at about 50 percent of capacity.

The reason why I call attention to this statement, which I am sure is true and can be documented very easily, is this: When we are having hearings on whether or not we would adopt this program, several years ago there were people who questioned the ability of private contractors to do this job. Here in a very brief time period you have increased your capacity to do the job to the point where you can do twice as much of a job as you now find you have the opportunity to do.

General PRENTISS. As I recall it, Mr. Congressman, in 1956 when the American Road Builders Association's task force reports were presented to this subcommittee, we pointed out the fact that the highway contracting industry had a capability of expanding to a point where it would be able within a relatively short time to handle a highway construction program in excess of \$10 billion a year.

Mr. SCHWENGEL. Mr. Chairman, I am awfully glad to have this testimony in the record before us, because we have had some hearings on another committee of which I have been a member, that have cast some suspicions on the record that the contractors made in certain areas, and left the impression that all contractors were in that category. Therefore, giving this eloquent testimony to the contrary—and it is fine testimony—in behalf of free enterprise and how it can work when given the opportunity to do so for the best interests of the individuals concerned and for the country, is very helpful in this situation. You have represented your people very, very well.

General PRENTISS. Thank you very much.

Mr. FALLON. Thank you very much, General.

General PRENTISS. Thank you very much, Mr. Chairman.

Mr. FALLON. Mr. M. Clare Miller, president of the Associated General Contractors of America. Mr. Miller, on behalf of the committee we want to welcome you here today and tell you that your very fine organization has testified here on many occasions and has given us the opinions of your organization and a wealth of information in regard to the construction of highways, and also advising us on different methods which we can discuss when we are considering this legislation. Also, I want to thank you for being a guest at your great convention, at which you contributed so much.

STATEMENT OF M. CLARE MILLER, PRESIDENT, THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.

Mr. MILLER. Thank you, sir.

Mr. FALLON. Mr. Miller.

Mr. MILLER. Mr. Chairman and members of the committee, I am M. Clare Miller, president of the San Ore Construction Co., of McPherson, Kans. My firm has engaged in highway construction in many of the Midwestern States since 1921. During that time we have constructed, in those States, considerable mileage on the Interstate and ABC Systems, and we are currently building 25 miles of the Interstate System in Kansas.

I appear before you today as president of the Associated General Contractors of America, an organization of 7,400 general construction contractors. Nearly half of these are highway contractors, and are the men who are building the road network this committee is considering. These highway contractor members of the Associated General Contractors of America perform, according to contract award data of the Bureau of Public Roads, slightly more than 70 percent of the Federal-aid construction on the primary and interstate systems. This important part of the highway industry, and our association as a whole, firmly supports H.R. 5200, another measure proposed by the distinguished chairman of this subcommittee to continue construction of the Interstate System on the schedule established by the Congress in 1956.

ORDERLY PROGRAM NECESSARY FOR ECONOMY

The economy and practical accomplishments of a continuing, orderly, properly financed highway program have already, in my opinion, been very effectively demonstrated to you by representatives of the Bureau of Public Roads and the American Association of State Highway Officials, and I bring to your attention the fact that highway contractors are equally affected by orderly planning. Just as the Bureau of Public Roads and the State highway departments must plan and project their programs on more than a season-to-season basis, so must the contractor. And, like the awarding agencies, the further ahead the contractor can assess his volume of work, distribution of equipment, purchase of materials and utilization of personnel, the more economically he can operate, and the better prices he can offer.

To illustrate that point, I can say without reservation that if I can, upon completion of a project, start another of comparable size within a reasonable period of time, while I still have my equipment, personnel, and sources of supply mobilized, I can submit a bid on that job lower than the one I must offer if I have lost the advantage of a mobilized, well-functioning organization.

History has proved that "stop-and-go" or "peak and valley" or "crisis-to-crisis" construction programs inevitably cost the owner, in this case the public, substantially more than a continuing, orderly program such as the Congress authorized in 1956, but which today is seriously jeopardized by a lack of funds. It is impossible to conduct any public works program economically under these conditions.

Contractors are like any other businessmen, and are today reluctant to invest capital in plant and equipment without reasonable assurance that the intent of Congress, when it enacted the 1956 act, will be carried out. This is particularly true of the 92 percent of our highway members who are relatively small business firms, having an annual gross volume, including all work performed, of less than \$5 million. The great majority of our highway contractors are the active heads of small organizations of men with specialized skills.

DELAYS COSTLY

We realize full well the difficult, complex problem which confronts you gentlemen in your attempt to formulate legislation for the orderly continuation of this program, but I must point out that the tremendous economic loss resulting from the delay—and in many cases complete work stoppages—in 1959, when interstate legislation was last being considered, is still being felt. And the impact of that period of uncertainty was most certainly not confined to the contracting industry alone. Equipment manufacturers and dealers, material suppliers and State highway departments all suffered, and are still suffering, from that period of indecision.

In addition to the damaging effect on the country's economy, we must also realize that each day of delay in the construction of an adequate highway system also results in the loss of lives on highways which are simply not capable of handling today's traffic. Every possible effort should be made to correct that situation just as soon as possible.

H.R. 5200

We note that H.R. 5200 authorizes the funds necessary for completion of the Interstate System by 1972, the schedule established by the Congress. Mr. Chairman, it is our opinion that the gravity of the international situation today again points up a need for a highway system fully capable of supporting any national defense effort required of this country. Early passage of the bill you have introduced will permit construction of the National System of Interstate and Defense Highways to proceed in the manner contemplated by the Congress when it approved the 1956 act, in which this committee played such a prominent role.

H.R. 5200 also authorizes approval of the cost estimate submitted to the Congress on January 11 of this year for completion of the Interstate System. We urge that this committee, and the Congress, approve that cost estimate. It is a realistic one, based on the best judgment of the State highway departments and the Bureau of Public Roads after 5 years of experience in constructing the Interstate System.

Mr. SCHERER. May I interrupt the witness at this point to pose a question. You have just been discussing the provisions of H.R. 5200, Mr. Miller. You are familiar with the fact, however, that the administration has sent a proposed bill to the Congress which suggests, or the provisions of which require that the Congress make authorizations for the A-B-C system for the life of this program, namely, from 1963 to 1972. Has your organization any comments as to whether or not we should continue the practice of making these authorizations biennially, or should we adopt the provisions as suggested in the proposed legislation?

Mr. MILLER. In our discussions along those lines, Mr. Congressman, we have quite often come to the conclusion, and I am sure still have it, that we believe it is good for the Congress to reevaluate the prospective performances of the highway departments, of the Bureau and of our industry; and, therefore, I think that we would recommend the continuation of the biennial apportionment.

Mr. SCHERER. Insofar as the A-B-C system is concerned?

Mr. MILLER. That is true. Yes, sir.

Mr. SCHERER. I noticed you were in the hearing room today while the other witnesses that preceded you testified. You evidently heard the discussion with reference to the recommendation in this proposed legislation submitted by the administration with reference to taking from the trust fund the costs, either the administrative costs or the actual costs of relocating families, and perhaps commercial enterprises that are on rights-of-way, before the highways are built, and furnishing adequate facilities to move these people. Has your organization taken any position with reference to those recommendations?

Mr. MILLER. Mr. Congressman, since we live, eat, and sleep highways, day after day after day, we are seriously concerned, of course, with the completion of the Interstate System by 1972, and the continuation of the improvement of the A-B-C system; and because we realize how much it means to our fellow citizens we would be very seriously concerned with anything that would detract from that completion date. It is very probable as we analyze it that this could detract from that date. Therefore, we are basically against, I would say, anything that would detract from the earliest possible completion.

Mr. SCHERER. Also, if this legislation that has been set up proposes to pay for actual relocation costs of families, the charge on the trust fund would be astronomical, would it not?

Mr. MILLER. It would seem to us that that would be the case.

Mr. SCHERER. That would mean building fewer roads.

Mr. MILLER. Very definitely.

Mr. SCHERER. With the money available.

Mr. FALLON. You may proceed, Mr. Miller.

Mr. MILLER. Yes, sir.

CONTRACTORS' BID PRICES REMAIN LOW

Mr. Chairman, a great deal has been said in recent months regarding the increased cost of building highways in the past few years. We most respectfully submit that any such increase is not attributable to the highway construction industry. As evidence of that fact, we call your attention to the table on the last page of this testimony. It shows, using 1953 (the last full year before the first cost estimate was made) the increases in the components the contractor uses to make up his bid, and also shows the contractors' bid prices.

You will note that between 1953 and 1960 average earnings of hourly employees on highway construction rose 39.2 percent; material prices 18.7 percent, and equipment ownership costs 27.8 percent. You will note also that the contractors' average bid price index was only 0.2 percent above 1953.

You are also aware that the \$1 billion reduction in the new cost estimate, which allowed the Bureau of Public Roads to include in that estimate other needed expenses, is attributed to a reduction in construction costs.

It is still our opinion, therefore, that highway construction is probably the best buy the public receives for its tax money, and is an area where public funds can be utilized with the utmost economy. The favorable and accepted 4 to 1 benefit-cost ratio for highway improvements further substantiates this statement.

We sincerely feel, however, that without assurance of a continuing, orderly program, such as we have stressed here, the public will not continue to realize these economies. Stop-and-go prosecution of any public works program is costly, and the more pronounced that situation is, and the longer the delay, the greater the ultimate cost will be.

PROGRAM MANAGEMENT

During the past year, in my capacity as vice president of the Associated General Contractors of America, I traveled 92,000 miles, covering virtually every State in the Union. I believe, therefore, that I have been in a good position to observe the manner in which the various States are carrying out the interstate highway program. Fully realizing the multitude of problems and obstacles that faced the highway departments at the beginning of the program, I am of the firm conviction that it is being constructed in a most outstanding manner, and is a distinct credit to the State highway departments of this country and to the Bureau of Public Roads.

Mr. SCHERER. Pardon me. You are aware that there have been some shortcomings and derelictions in this program, are you not, Mr. Miller?

Mr. MILLER. Yes, sir, I am.

Mr. SCHERER. On the part of State highway officials and on the part of some contractors?

Mr. MILLER. We are aware, Mr. Congressman, but we feel when they are considered in the light of the overall program they are completely infinitesimal. We do not condone them, of course, and we will not condone any like happenings in the future. We in AGC adhere strictly to the attributes of determining responsibility and integrity, and we preach that all the time. We believe it must be a concept of this highway program, and we believe that it is. So while we are fully conscious of those things, we do not believe that they are an overall blame that the program must accept.

Mr. SCHERER. From your travels, as you have indicated in your statement, do you feel that the shortcomings and some of the frauds that have been uncovered, as you said are infinitesimal compared to the many total and fine accomplishments of this program, both by contractors and by State highway officials?

Mr. MILLER. I most certainly do.

Mr. FALLON. Will you proceed, Mr. Miller?

Mr. MILLER. Yes, sir.

INDUSTRY EQUAL TO PROGRAM

Mr. Chairman, each time we have appeared before this committee we have given it the assurance that the contracting industry can carry out the Federal highway program promptly, economically, and with constantly increasing efficiency. We are happy to repeat and re-emphasize that statement at this time.

Continued improvements in the industry's operations and the continued keen competition between contractors are powerful forces serving to make the public investment in highway construction increasingly more valuable.

CONCLUSION

In conclusion, Mr. Chairman, we again commend you and the members of this committee for the keen interest and understanding of the Nation's highway needs which you have demonstrated so often by previous actions. In view of those many actions you have taken to promote adequate highway legislation, we are confident you will see fit to approve H.R. 5200.

Thank you very much for the opportunity of appearing before you in support of this most important legislation.

Mr. FALLON. Have you any questions?

Mr. SCHERER. Yes. Just one or two. Mr. Miller, you, of course, understand if we are to complete this program that we are going to have to raise an additional \$10 billion?

Mr. MILLER. That is true. We understand that.

Mr. SCHERER. Does your organization, or has your organization taken a position with reference to whether or not we should continue this program on a pay-as-you-go basis, or whether we should divert funds from the moneys from the general fund in order to make up all or a part of this \$10 billion that is required?

Mr. MILLER. In my testimony before the House Ways and Means Committee on Monday of this week we have very definitely said that we believe that the program ought to be constructed on a pay-as-you-go basis, financed by user taxes, and that its construction period should not be stretched out. We have emphasized that in seven places in our testimony before the House Ways and Means Committee.

Mr. SCHERER. Do you recognize that one of the fine and basic features of the 1956 act was that we did try to provide for a program that would be built as we paid for it, and not passed on to future generations?

Mr. MILLER. Yes, sir.

Mr. SCHERER. You recognize that President Eisenhower recommended we raise the necessary revenues to continue this program on a pay-as-you-go basis?

Mr. MILLER. Yes, sir.

Mr. SCHERER. And now President Kennedy has also backed this basic provision of the 1956 act and recommends against the diversion of about \$600 million from the general fund commencing July 1. You are in accordance with those recommendations?

Mr. MILLER. We are.

Mr. SCHERER. You would support either the President's primary proposal then in raising the taxes on trucks, or his alternate proposal of a half-cent gas tax in order to keep this program on a pay-as-you-go basis?

Mr. MILLER. Either, or a combination of both.

Mr. SCHERER. I have no further questions.

Mr. FALLON. Mr. Miller, on behalf of the committee I want to tell you we appreciate your taking the time and coming here to make a very fine statement. You answered the questions I might have thought of asking. Your statement has been sincere and concise and furnishes the information that I think it is appropriate for your association to give. I want to thank you again.

Mr. MILLER. Thank you, sir.

Mr. FALLON. May I ask unanimous consent that the table following the statement of Mr. Miller be included in the record at this point.

(The table referred to is as follows:)

Highway construction indexes, 1953-60

[1953=100]

AVERAGE EARNINGS OF HOURLY EMPLOYEES

1953-----	100.0	1956-----	112.9	1959-----	133.4
1954-----	103.4	1957-----	120.3	1960-----	139.2
1955-----	108.2	1958-----	128.0		

MATERIAL COSTS

1953-----	100.0	1956-----	111.6	1959-----	120.2
1954-----	102.7	1957-----	117.0	1960-----	118.7
1955-----	106.7	1958-----	119.3		

EQUIPMENT OWNERSHIP EXPENSE

1953-----	100.0	1956-----	112.2	1959-----	126.4
1954-----	101.2	1957-----	119.2	1960-----	127.8
1955-----	104.6	1958-----	122.8		

CONTRACTORS' BID PRICES

1953-----	100.0	1956-----	101.9	1959-----	102.7
1954-----	94.4	1957-----	106.1	1960-----	100.2
1955-----	95.4	1958-----	104.6		

Mr. FALLON. Mr. Wagner. Will you give your name, title, and occupation to the reporter, please?

STATEMENT OF DONALD C. WAGNER, MANAGING DIRECTOR, CITY OF PHILADELPHIA, CHAIRMAN, HIGHWAYS COMMITTEE, AMERICAN MUNICIPAL ASSOCIATION

Mr. WAGNER. I am Donald C. Wagner, managing director of the city of Philadelphia, Pa. I am appearing here in behalf of the American Municipal Association as chairman of its highways committee. Mr. Chairman and members of the House Public Works Subcommittee on Roads, it is my pleasure to appear here today and I would like to express my appreciation for this opportunity to be heard.

Mr. FALLON. Mr. Wagner, we appreciate your coming here this morning.

Mr. WAGNER. I am delighted to be here. The American Municipal Association, which is the national association of municipal governments, represents over 13,000 cities, towns, and villages throughout the

United States. I am chairman of its highways committee and a member of the Joint Committee on Highways of the American Municipal Association and the American Association of State Highway Officials.

Mr. FALLON. You may proceed with your statement, Mr. Wagner.

Mr. WAGNER. I am delighted to be here.

In my statement today, I shall make the following points regarding the Federal-Aid Highway Act of 1961:

1. The most critical transportation and traffic needs of this country are in the urban areas, where half the gasoline taxes come from and where the cost of constructing urban links in the Interstate System, while more per mile, is less per vehicle mile than is the cost of the rural portions of that system.

2. The urgent need for highways in urban areas makes it mandatory that the Interstate System, including its urban links, be completed not later than 1972. We are opposed to any delay or reduction in the program. Accordingly, we support H.R. 5200 and the "Authorization of Appropriations" schedule contained therein.

3. We recommend that legislation be enacted authorizing the extension of secondary roads in urban areas with Federal-aid secondary funds, the same as Federal-aid primary money may now be used to extend primary roads in urban areas.

4. The American Municipal Association favors the enactment of legislation which would establish by law a Federal-aid urban system of arterial streets which system shall be in addition to the Federal-aid primary and interstate systems of highways in urban areas.

5. We recommend that H.R. 5200 should also include the President's proposal for increasing the authorizations for the ABC systems of primary, secondary, and urban roads by \$25 million every 2 years beginning in 1964 until the \$1 billion level is reached and maintained.

6. We concur in the President's proposal that family and business relocation payments should be made available to those displaced by the Interstate Highway program on the same basis as they are under the urban renewal program.

URBAN HIGHWAY NEEDS

The top transportation problem of this country is the movement of people, merchandise, and materials into and through the cities. The intensity of the concentration of traffic in cities is demonstrated by the fact that while the 416,000 miles of municipal roads and streets account for only 12 percent of the total mileage in the United States, at least 44 percent of all vehicle mileage is on these same urban streets and highways. This urban travel will more than double over the next two decades. By 1980, about 60 percent of the anticipated 1,277 billion yearly vehicle miles of travel will be within expanded urban area limits.

The National System of Interstate Highways will provide only the framework for an urban freeway network whose hubs and terminals are cities. We must not overlook the fact that municipalities are spending approximately \$1.7 billion per year from their own locally raised general funds for street construction and maintenance, an amount that is almost double the present rate of expenditure by the Federal Government on the ABC system.

As cities grow larger, an increasing proportion of urban traffic has urban origins or destinations. In most cities over 10,000 people, approximately three-fourths of all approaching traffic has a city destination. With a growing freeway network, cities must, at their own expense, widen and improve many arterial streets connecting to the expressways and build new offstreet parking facilities which must be integrated with freeway development. Adequate terminal facilities are an essential part of a balanced transportation system.

An expanding population means more passenger vehicles and more trucks operating in cities. The U.S. Bureau of the Census has estimated that by 1980 the total population will be approximately 245 million, with 3 out of every 4 Americans living in urban places. Some predict that an even higher percentage, up to 84 percent, will be urban.

For those who would economize by eliminating the urban portions of the Interstate System, we would like to stress that in addition to the fact that the great majority of the people live in urban areas, approximately one-half of the gasoline tax revenues are earned there. Urban highways are the most productive since they are traveled on more frequently. If all needed freeways were constructed by 1980, average volumes per mile of urban interstate highway would be about 51,000 cars daily, and the rural sections would be about 9,900 cars daily. Each mile of urban interstate routes will, therefore, carry five times the volume of each mile of rural highways.

In short, urban highways carry more traffic, and, because of this fact, they are cheaper to construct per mile traveled than any other kind of highway. Expenditure of the presently planned 42 percent on urban highways is more than justified.

KEEP THE PROGRAM ON SCHEDULE

The national municipal policy of the American Municipal Association urges Congress—

to insure the early and prompt completion of the Interstate System with appropriate provisions for urban areas (i.e., cities and areas immediately adjacent), in accordance with the clearly expressed intent of Congress in the 1956 act.

We are in complete agreement with the balanced program concept whereby the urban sections of the Interstate System will be constructed as planned.

The 1956 act gave a long-awaited recognition to urban areas when it required—

that, insofar as possible, in consonance with the proper completion of the Interstate System, that total needs, to the extent practicable, suitable, and feasible, shall be given equal consideration with the needs of interstate commerce and that extensions of the system to urban areas be expedited.

Even with these large Federal authorizations, State and local governments still continue to account for at least two-thirds of all highway expenditures (construction and maintenance) and about one-half of all road construction expenditures.

In brief, we are opposed to any stretchout or cutback in the Federal-aid highway program, and we are in favor of completion in 1972 as planned.

Since it is our understanding that H.R. 5200 provides the necessary authorization of appropriations to keep the program on schedule, we heartily endorse it. In this connection, the American Municipal Association testified last week before the House Ways and Means Committee in support of the President's proposals for highway financing, without prejudice to other sound financing proposals that the committee might adopt, which would lead to completion by 1972.

EXPENDITURE OF FEDERAL-AID SECONDARY FUNDS IN URBAN AREAS

The extension of Federal-aid primary and secondary highways into and through urban areas with a population of 5,000 or more is of tremendous importance to cities. Unfortunately, secondary funds cannot be spent on secondary urban-extensions, which may now be financed only with Federal-aid urban extension funds. This is in contrast to the legislation covering primary fund expenditures.

Our policy is that—

secondary as well as major city streets within the corporate limits of municipalities should be eligible for Federal aid in the same proportion that Federal aid is available for the roads outside cities.

Both the American Association of State Highway Officials and the Joint Committee on Highways of the American Municipal Association and American Association of State Highway Officials, agree that Federal-aid secondary funds should be eligible for expenditure on urban extensions of the secondary system. I think that has been stated this morning by the American Association of State Highway Officials. We urge you to consider such legislation.

FEDERAL-AID URBAN SYSTEM

For your further consideration is that part of the national municipal policy urging legislation "which would establish by law a Federal-aid urban system of arterial streets which system shall be in addition to the Federal-aid primary and Interstate Systems of highways in urban areas." Such a system would include extensions of the Federal-aid secondary system in urban areas, lateral, feeder, distributor, and such circumferential routes as may be required to furnish maximum utility to the various Federal-aid systems within or adjacent to urban areas.

Our policy also asks that the proportion of annual appropriations made by the Federal Government for urban highways be increased so as to provide the additional funds necessary for the construction of an adequate system of urban highways.

THE A-B-C SYSTEMS AUTHORIZATIONS

We support the President's proposal that the authorizations for the A-B-C systems of primary, secondary, and urban roads be increased by \$25 million every 2 years beginning in 1964 until the \$1 billion level is reached and maintained. Obviously, the large amounts of urban mileage on these systems (urban primary 22,993 miles; urban secondary 11,151 miles) make the A-B-C authorizations vitally important to us. The urban extensions of the A-B-C systems are the connecting

links which provide access to cities. The original intent of Congress was to increase the A-B-C apportionments annually, but if this cannot be financed without jeopardizing the completion of the Interstate System on schedule, then the biennial increase meets with our support.

FAMILY AND BUSINESS RELOCATION

The American Municipal Association policy recommends that family and business relocation payments should be made available to those displaced by the interstate highway program on the same basis as they are under the urban renewal program. The Housing Act of 1959 as amended requires relocation payments to individuals, families, and business concerns for their reasonable and necessary moving expenses resulting from their displacement not to exceed \$200 for an individual or family and \$3,000 for a business concern. We agree with the statement made by the President in his highway message that the Federal highway law should be amended to require the same assurances as are in the Federal urban renewal law of help in finding reasonable housing at reasonable costs for all those displaced from their homes by future Federal-aid highway projects.

In summary (1) we support H.R. 5200. (2) We recommend that legislation be enacted providing for:

Expenditure of Federal-aid secondary funds on secondary urban extensions;

Creation of a Federal-aid urban system;

Biennial \$25 million increase in the ABC authorizations until a plateau of \$1 billion is reached; and,

Family and business relocation payments for displacements caused by Federal-aid highway projects.

I would also like to file a copy of the American Municipal Association's National Municipal Policy with the committee. The section referring to highways is general section 27 in this document.

Mr. FALLON. Without objection that may be done. Thank you very much, Mr. Wagner. I am sorry that time does not permit us to ask you any questions which we would like to do. You heard the second bell ring, which means Mr. Scherer and I have to get over to the floor of the House to answer a rollcall.

Mr. WAGNER. I am saved by the bell.

Mr. FALLON. I thank you very much again, Mr. Wagner, on behalf of the committee for coming here this morning. I will ask unanimous consent that the statement of George D. Riley, national legislative representative, AFL-CIO, be filed at this point, and the statement of the National Association of County Officials.

(The statements of Mr. Riley and the National Association of County Officials are as follows:)

STATEMENT OF GEORGE D. RILEY, NATIONAL LEGISLATIVE REPRESENTATIVE, AFL-CIO

As in the past, starting with 1955, the AFL-CIO still supports legislation looking toward continuing and expanding the provisions of the Interstate and Defense Highway System enacted in 1956.

We exerted our energies for passage of the original legislation as a needed facility to attempt to keep pace with the national growth in transportation matters.

The provisions of the Fallon bill (H.R. 5200), the Federal-Aid Highway Act of 1961 likewise have our full support, including as it does authorization of appropriations to carry through "construction, reconstruction, or improvement, inclusive of necessary bridges and tunnels of the Interstate System." It is noted that the Fallon bill is restricted to authorization of appropriations for the Interstate System and for approval of estimate of cost for completing this system.

We have examined the provisions of the Presidential message on the subject of highway construction including, as it does, a considerable portion referring to the Interstate and Defense Highway System.

It is our understanding that the proposed bill, dated March 14, 1961, submitted to the Congress has not been introduced in the House. I assume, therefore, that that bill is not before your committee for present discussion. However, if it is the pleasure of the committee to have any remarks on that proposed bill, there is language contained as part of the statement for the committee's and the staff's reference for such disposition as you see fit.

For example, in the proposed draft of a bill from downtown, it is noted that section 102 includes reference to "approval of estimate of cost of completing the Interstate System." Yet we find the same provision in the Fallon bill already introduced and pending before your committee.

It also is noted that in section 104 of that same draft there is authorization of appropriations for Federal-aid primary and secondary systems and extensions within urban areas.

As we understand it, the legislation contained in H.R. 5200 is restricted to the Interstate and Defense Highway System and to that system only.

In section 105 of the same proposed draft there is authorization for appropriations for forest highways, the funds for which would be taken from the highway trust fund in the amount of \$33 million for each of 3 fiscal years.

Having followed the progress of this legislation, and having felt a considerable working partnership with the Congress in the progress of the same legislation, I fail to recall the time when the highway trust fund established for maintenance of the Interstate and Defense Highway System was created or intended to be a sustaining fiscal influence for forest highways. Certainly, if we are to dip into the trust fund on various occasions for purposes other than the original concept, that fund is going to be and will continue to be in distress and the methods and means of replenishing the fund will constitute an ever-broadening task of providing the wherewithal to keep the Interstate System "on the road."

The same applies to money bailed out of the highway trust fund for public lands highways or for any other purposes beyond the concept of the trust fund as established.

Turning to two other principal proposals—sections 107 and 108—of the suggested bill from the Secretary of Commerce routed via the White House, we offer some comments.

The first proposal occurs on page 4, section 107 of the draft from downtown, on page 8, item V, titled "Billboard Control." At the AFL-CIO convention in 1957, our delegates voiced their views substantially in the following language:

"Whereas the right to know and to make a choice is a built-in component part of our American way of life; and

"Whereas a better choice can be had by being fully informed through visual as well as other forms of education as set forth in the printed word, by picture and otherwise; and

"Whereas we can have full access to the scenic and historical effects of this great land of ours and at the same time full access to the artistry of brush and lettering, properly arrayed by locality according to the choice through local determination; and

"Whereas the sound cause of safety, national defense, civil defense, unified giving, counteraction to juvenile delinquency and numerous other essential causes of our fundamental national existence are well and substantially promoted through open air displays; and

"Whereas, through devious devices, exaggerated claims have been made and continue to be made against such displays without offering authenticated basis for costs to the Public Treasury for effacing such displays from within eye range of the new Interstate Highway System: Now, therefore, be it

"Resolved, That this Second Constitutional Convention of the American Federation of Labor and Congress of Industrial Organizations assembled in

Atlantic City, N.J., expresses its full endorsement of all efforts thus far exerted by our legislative department in behalf of the interstate highway program, inclusion for the first time and continued retention of the prevailing wage provision and acceleration of progress in construction work without interference or delay or diversion of funds to any other purpose beyond that specified in the basic act as set forth under Public Law 624 of the 84th Congress."

The proposed legislative draft merely refers to "areas adjacent to the Interstate System." The message referring to the highway program is more specific but both mean the same.

The Congress is asked to spend from the U.S. Treasury general fund an additional one-half percent of costs in each State conforming to the thought of enabling "more Americans to more easily see more of their country."

The President says in the first sentence of his salutation to the Congress of February 28, 1961, that "Our Federal pay-as-you-go highway program is in peril." This means urgency is involved in highway building, a position we took when the original act was before you in 1956.

The fact is that adding sugar to the carrot under section 122 of the 1958 amendment has failed to get the results its proponents expected. In 1958, the antibillboard bonus was set at one-half percent. There has been but a single State to agree to buy the provisions of that act.

That State will be paid, not from the highway trust fund, but directly from the Treasury for its extra activity in those "adjacent areas."

And, since the States are not buying the present one-half percent of cost additional, it now is planned to double the offer. This can suggest two points:

1. Payment for nonproductivity in highway construction.

2. The start of a trend toward higher and yet higher payments by the Federal Government of complete cost of all highway construction with the Treasury sharing in addition to the trust fund.

In his remarks to the American Road Builders Association, March 6, 1961, Federal Highway Administrator Rex Whitton seemed to feel no sense of urgency over giving 91 percent to the States. He did mention "scandals" in the program which you have unearthed and he mentioned "public apathy" toward the highway program as important to combat. But I find no reference he may have made to taking Treasury money to provide "lagniappe" to the States for billboard abolition.

It is noted that Administrator Whitton's State has not subscribed to the plan to get this extra Treasury cash.

As we have noted, the AFL-CIO has opposed the "adjacent areas" proposition. We need the substantial course of getting on with the job of building the facility. The dessert course of extra money does not provide relief from the "peril" to the pay-as-you-go program.

RECOURSE IN RELOCATION—FEDERAL RESPONSIBILITY

By no means true is the necessity for recognition of coordination with urban development. The situation is discussed on page 7, item IV of House Document No. 96 of 1961.

Here is a proposal to alleviate heartbreak and broken homes and with further resort to perpetration of slums and retardation of urban renewal. It involves relocation procedures to which the Federal Government is committed in existing housing programs.

Doubtless some hundreds of thousands of defenseless families have been scattered to the winds, their homes smashed into worthlessness by the highway builders.

In his message on housing of March 9, 1961, President Kennedy stressed the necessity for coordination of highway construction and urban renewal. In that message, the President said that the highway program "cannot be isolated from other programs for social and civic improvement, particularly our progress in urban renewal and planning." The President specifically directed the Secretary of Commerce and the Housing Administrator to increase their joint planning and improve coordination at every level.

The AFL-CIO commends the action by the President and we hope that special attention will be given to the problems and hardships of the tens of thousands of families who are being displaced by federally aided highway construction.

It is a shocking fact that not only is there no public responsibility to assist families displaced by highway construction to secure alternative dwellings but, to the best of our knowledge, there has not even been an attempt on the part

of the Federal agency most directly concerned, the Bureau of Public Roads of the Department of Commerce, to ascertain how many families and individuals have been and will be in the future forced to vacate their homes in the path of highway construction.

Apparently, the only figures available relating to displacement by highway construction are very rough estimates made by the Bureau of Public Roads in October 1957. This estimate was not based on actual experience but simply on some crude guesses as to the probable density of population in the areas to be affected by highway construction. According to this estimate, some 350,000 families were to be displaced over a 15-year period by interstate and other highway programs. While we believe this figure is probably much too low, we would point out that even this figure indicates that at least as many families will be displaced by highway construction as by urban renewal programs.

We strongly urge that the Secretary of Commerce be required to ascertain as accurately as possible and at the earliest possible date the number of families who will be displaced by federally aided highway construction. But statistics are not enough. The public responsibility to provide alternative accommodations to families displaced by public construction programs already recognized in the urban renewal program must also be extended to others, including the highway construction program. We strongly recommend that legislation be enacted to establish the same relocation assistance under the highway program as is now available for those displaced by urban renewal.

These standards should include:

1. An opportunity for families who are forced to move as a result of highway construction to obtain decent, safe, and sanitary homes within their means.
2. Moving allowance for those dislocated up to \$300 for a family and up to \$3,000 for a business establishment.

I listened in October to a State land condemnation official tell delegates of the National Association of State Highway Officials how it is done in his State. There was great interest in his recitation but the discussion seemed to me to be one of cynicism, that here is a program bearing the overwhelming authority of the sovereign power and the force of eminent domain.

Here is a program designed for the greatest good but loaded with the seeds of irreparable hardship, even catastrophe, for a large number of humans. Here, in essence, is how the official described the procedure of taking land, the right-of-way having been determined:

1. The fieldmen have a caseload each of 25 a week, 5 a day.
2. Their job is to knock on a family's door. The family may have expected or feared that knock because there had been public information on the likely route for the highway.
3. If the head of the family is at home, well and good. He personally gets the tidings. The time has come to scatter. But perhaps he asks for time to talk it over in his family circle.
4. All right, he gets 10 days. The man with the caseload will be back for his decision. Will he accept the order to move quietly and accept what has been decided as the price he may have?
5. In 10 days, that knock comes again. What is his decision, is he getting out? If yes, that's settled and he gathers up his duds, his loved ones, leaves the resting places of his progenitors and forever quits familiar surroundings, be they his place of tax-producing business or his taxpaying home.
6. If there is hesitancy or refusal, the case of the stubborn one is referred to the courts where it gets the swift attention not always afforded to others who sometimes resist decisions from high level. He is told he is through and is ordered out, the bulldozers to keep faithful appointment roaring through the property for sure and for keeps. His future from that point is of his own making.

7. The files of each Members of the Congress may well contain the personal stories of these families who are no one's responsibility, neither Federal Government nor State.

That portion of the Presidential message on displacement of families in the highway program quite well presented the problem of these citizens. Public interests supporting housing legislation have been greatly concerned over the abuses arising from highway building for years.

The relief lies here in your committee. It is the States not the cities which create the problem.

Yet, even the proposed language on this subject in section 108 of the bill from downtown offers little remedy. The elementary reimbursement of moving costs seems not even to be provided.

Nor does the draft contemplate making whole those citizens who already have suffered damage from this march of progress. The report merely refers to "those displaced from their homes by future Federal-aid highway projects."

Rescuing these citizens from being carelessly bounced would seem paramount to fighting public display signs.

The States have taken the position that these conditions are none of their responsibility—that this is the Federal Government's responsibility because this is a Federal highway program.

Whether the States can compel local governments to comply with the suggested provisions in section 107(g) for "temporary relocation" is a good question. Nor is there assurance of workability that the States can or will provide "rents or prices within the financial means of the families displaced."

In other words, who will defray the costs entailed in section 107(g), who will shoulder the blame of delays in construction while the States gather up their assurances for the Secretary before he approves projects? Tighter phrasing is indicated and payment of costs by whom should be fastened down.

CONCLUSION

To sum up this presentation, we suggest that:

1. The Fallon bill (H.R. 5200) be approved but with additions.
2. A strong position be pursued in defense of the integrity of the highway trust fund. This would include no change from the present practice of appropriation authorization for forest and public lands highways. The proposal to do otherwise has been turned down by the Congress and there is no reason for burdening the trust fund with items not provided for outside the Interstate System. Administrative costs already are imposed upon the system. If general highway costs of various types are siphoned from the fund, we will continue to see the highway program in "peril."
3. Assistance to displaced families be inaugurated and of such defensive type as to have real significance, placing the responsibilities where they belong.
4. That the 1958 act concerning so-called "adjacent areas" be allowed to lapse. The states have shown a decided nonconformance, seemingly preferring to get on with the building of highways. Certainly, the present half-cent should not be increased to a full cent and charged against the Federal Treasury. Neither should it be charged to the trust fund. The enthusiasts for that portion of the 1958 act demonstrated they realized they could not get the antibillboard provision through if the provision were to be a charge against the trust fund.

Primarily, we are concerned with the building of highways and are opposed to any roadblocks impeding completion of the system. Before the program can be completed, the system will be outdated and it will be time to start all over with a greatly expanded program, it is evident.

APPENDIX

BROTHERHOOD OF PAINTERS, DECORATORS AND PAPERHANGERS OF AMERICA,

Washington, D.C., March 16, 1961.

MR. GEORGE D. RILEY,
Legislative Representative, AFL-CIO, Washington, D.C.

DEAR GEORGE: Again this session of Congress, we find it necessary to request your able assistance in the matter of highway legislation (H.R. 5200) as it is presently designed to affect bonus payments to the States, and further, that title I of the act would extend the bonus provisions of the act from July 1, 1961, to June 30, 1965.

It is our understanding that the advertising section of the proposed 1961 amendments to the highway act would do far-reaching damage to the employment and employment opportunities to some 11,000 sign and pictorial painters affiliated with our brotherhood. We are informed that other craft unions having members engaged in outdoor advertising work number more than 150,000 men and women whose employment is derived solely from this free enterprise activity.

In view of the resolutions adopted and approved by the AFL-CIO convention in Atlantic City in 1957, the metal trades department as well as the building and construction trades department also approved resolutions the effect of which

was to defend jobs and employment opportunities of all members of the trade unions employed in the industry. It is clearly our understanding that the united federation of labor and all of its departments is in full support of the resolutions adopted.

Your kind attention to this matter as it progresses in the House of Representatives and in the Senate Public Works Committee will be most highly appreciated by our brotherhood and the membership of our organization. I have sent a letter to the chairman of the Senate Public Works Subcommittee, Hon. Pat McNamara, on this subject. Also, I understand other crafts are also sending the Senator their objections to the bonus being increased from one-half of 1 percent to 1 percent and to the extension of the law to 4 years.

I plan to be in close touch with you with regard to this matter, and surely, you may expect my fullest cooperation and attention to the problem.

With all good wishes and kindest personal regards, I am,

Sincerely and fraternally,

BRYCE P. HOLCOMBE, *General Representative.*

WASHINGTON, D.C.

STATEMENT OF NATIONAL ASSOCIATION OF COUNTY OFFICIALS BY CHRISTIAN H. KAHL, ELECTED COUNTY EXECUTIVE, BALTIMORE COUNTY, MD., AND DIRECTOR, NATIONAL ASSOCIATION OF COUNTY OFFICIALS; CHAIRMAN, NACO'S ROADS AND HIGHWAYS COMMITTEE

NACO HIGHWAY STATEMENT SUMMARIZED

1. The Interstate System should be completed by 1972.
2. Congress could greatly help county road programing by developing a long-range construction and finance program this year.
3. A finance plan should include a plan to finance a \$25 million increase in ABC appropriations each year rather than each 2 years as recommended by the President.
4. The finance plan advocated by the President is more advantageous to county road building than his alternate proposal of levying an additional one-half cent per gallon on gasoline since our State and county governments must look to the State gasoline tax as their principle source of road revenue.

WHAT IS THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS?

Mr. Chairman, my name is Christian H. Kahl and I am the elected county executive of Baltimore County, Md. I am also a director in the National Association of County Officials, a national voluntary association of some 8,500 elected and appointed policymaking county officials in nearly every State in the Union. NACO has affiliated with it State associations of county officials in 44 States. Our Washington staff, located at 1001 Connecticut Avenue, also serves our affiliated national associations of county clerks, engineers, treasurers, and finance officers, and administrators. I also serve as chairman of NACO's Roads and Highway Committee.

OPPOSE STRETCHOUT

In general, the National Association of County Officials strongly supports the President's Federal-aid highway program as outlined in his highway message of February 28. With the permission of the chairman we would like to have incorporated into the minutes of this hearing our American county platform sections on highways. Commenting in detail, NACO:

1. Strongly supports the completion of the Interstate System by 1972. The estimated saving of 4,000 lives a year, plus a reduction in the rate of accidents which injure 1.4 million people a year, is conclusive evidence that the highway program must be finished on schedule. We are very pleased that the President opposed a stretchout; elimination of construction in urban areas; reduction in standards in diversion of highway user fees for mass transit subsidies.
2. It is imperative that a long-range Federal financial program be devised this year. Congress has displayed great foresight in obtaining comprehensive, factual analysis which is now available for the purpose of determining a long-range financial plan. This, coupled with the sound estimates of the State highway departments of the ultimate cost of completing the Interstate System, should be extremely helpful to the Congress in determining an equitable plan. Our nearly

3,000 counties with road programs urge the Congress to determine a level of construction and a finance plan to which they can gear their own construction and finance plans. Wide fluctuations or uncertainties in Federal plans of necessity unsettle State and local highway plans. Once the Federal long-range building and finance plans are determined, our counties can then plan both their Federal-aid highway plans and non-Federal-aid highway plans to match the Federal program. This will bring economies in land acquisition; facilitate total local community facilities planning and construction; ease the problems of family relocations; stabilize local staffing and equipment needs; and, in general, bring far greater economy and efficiency into our local programs that require such long planning leadtimes. In short, our county highway departments and local finance officers must have definite assurance of the level of Federal activity in order to make maximum use of highway dollars.

3. The Federal finance plans should include a method to finance an increase of \$25 million each year for the ABC program until these appropriations reach a level of \$1 billion annually. This is the plan that Congress wrote into the 1956 Federal Aid Act. The President recommends that the ABC appropriations be increased \$25 million each 2 years until they reach \$1 billion. The President's plan therefore represents an increase of only $1\frac{1}{2}$ percent per year for a 755,728-mile system of roads that carry more than 66 percent of all traffic generated by our 70 million vehicles. The inadequacy of the recommended ABC appropriations can be seen when the $1\frac{1}{2}$ percent annual increase in appropriations is measured against an estimated annual increase of 1,500,000 in the number of registered vehicles and an annual 2 to 3 percent in vehicle miles of travel; 10 to 15 billion vehicle miles increase per year. To increase ABC appropriations \$25 million each year would increase total costs \$125 million over the life of the program.

4. The President recommended that the highway program be financed by user taxes that fall heaviest on larger trucks and pointed out that the alternative was to increase gasoline taxes one-half cent per gallon. Of these two alternatives, the President's recommended plan would be more beneficial to county road construction since it would not place an additional burden upon the gasoline tax which is the main source of State and local user fee revenues. The State highway officials report that 40 States can raise their share of Federal matching funds for the life of the program without additional gasoline taxes. Nine States may raise taxes at the end of 2 years just to meet Federal matching requirements. Most States could use more money for maintenance and non-Federal-aid projects. Some 16 States are now considering gasoline tax increases at the State legislature. Two States, Arizona and New Mexico, are considering proposals to allow their counties to levy county gasoline taxes. It is apparent that a further increase of one-half cent per gallon in Federal gasoline taxes would make it more difficult to get much needed State gasoline tax increases.

Mr. FALLON. The committee will stand adjourned until further expression from the Chair.

(Whereupon, at 12:15 p.m., the committee adjourned subject to call of the Chair.)

(The following were furnished for insertion.)

STATEMENT OF ROBERT M. KOCH, PRESIDENT, NATIONAL LIMESTONE INSTITUTE, INC.

Mr. Chairman and members of the committee, I very much appreciate the opportunity to appear before you to present the views of the limestone industry which it is my privilege to represent. As you may know, there are 1,833 quarries producing limestone products in our Nation. In 1959, 433 million tons of liming material were produced for this Nation's use at an average f.o.b. plant price of \$1.34 per ton. Of this tonnage, 58 percent was used during 1959 as roadstone and concrete aggregate. This industry is, therefore, giving our Nation's roadbuilders an essential product—highway aggregates—at a very low price.

We in this industry wish to go on record as unequivocally supporting H.R. 5200, which implements President Kennedy's proposal to complete the Interstate System on schedule by 1972. Mr. Chairman, I do not wish to take the committee's time to reiterate all the many reasons why it is so essential to our national welfare that the expanded highway system be completed on schedule. As I told the Ways and Means Committee yesterday, not only are members of

this industry willing to assume their fair share of the cost of this essential program but it our belief, based on our contacts with many citizens throughout the 44 States where we operate, that the average citizen is also willing to assume his fair share of the costs because of the benefits he anticipates receiving once this system is completed.

We are very much aware, Mr. Chairman, that you and this committee have pioneered much of the forward-looking Federal highway legislation. We also know that you are doing all that you can to see that adequate steps are taken by all concerned to prevent a slowing down or stretching out of the original schedule. Furthermore, we want you to know that we in this industry are striving to do our part to see that the general public is kept apprised of the progress and the real benefits which they will obtain through this vital program.

While the ABC phase of highway legislation is not under consideration at this time. I would like to reiterate what I have said in previous appearances before your committee. We feel that the original proposal to maintain this system on a \$25 million annual increment until it reaches \$1 billion is something which should not be set aside when congressional committees and administration planners are considering the total highway program.

We very much appreciate the opportunity to appear in support of H.R. 5200 and I want to compliment you again, Mr. Chairman, for the leadership which you and your committee have shown during the years in assisting our Nation to secure better highways which are so necessary for the proper development of our country.

STATEMENT OF AMERICAN AUTOMOBILE ASSOCIATION

The American Automobile Association has presented testimony to the House Ways and Means Committee regarding a number of points contained in President Kennedy's highway message of February 28. To avoid duplication, this statement is confined to the fifth point of that message dealing with billboard control.

We are in accord with the President's recommendations for more effective control of outdoor advertising along the National System of Interstate and Defense Highways. We urge that priority consideration be given to the proposal for an extension of time within which States may qualify for the bonus payment provided in the Federal Highway Act of 1958.

Such action, we believe, is the minimum that Congress should do at the present time in dealing with this most difficult problem. AAA long has campaigned for protection of all highways against uncontrolled commercial development and has worked for State legislation which would zone the roadsides and limit the placement of outdoor advertising to appropriate places.

As to the 41,000-mile National System of Interstate and Defense Highways, AAA favors State legislation which would prohibit all commercial advertising within 660 feet of the right-of-way, except in urban and zoned commercial areas.

Extension of the time limit for an additional 4 years on the deadline for reaching bonus agreements is of the highest importance. State action on the subject faces many difficulties. The outdoor advertising industry is one of the most adroit and effective lobbies on the American scene. At the State level, this lobby has shown an ability to circumvent or delay corrective legislation for many years. When a law is finally passed, the billboard interests often prevent its effective application through court procedures. Such litigation, in those States which have passed laws controlling outdoor advertising, could well nullify the Federal act unless the time for agreement is extended.

Under present estimates, the American people will invest something on the order of \$41 billion in the Interstate System. This will be designed and engineered to the highest standards, and will incorporate the best of all engineering and technological knowledge gained to date.

Unless corrective action is taken, this great dream system may become a \$41 billion billboard nightmare. The desecration of the scenery is bad enough. More important is the safety aspect.

Much thought and research has gone into designing highway warning and directional signs adequate for the safe and orderly movement of high-speed-traffic on interstate highways.

This progress will be largely nullified unless outdoor advertising is controlled. If warning and directional signs on our new high-speed highways are blanketed or obscured by commercial signs, the inevitable result will be a large increase in confusion and accidents.

Extensive rest areas are planned for the Interstate System. In such areas, there can be directory-type information as to facilities provided ahead. With such information available, the need, from the motorists' standpoint, of commercial outdoor advertising along the interstate network disappears.

As a forward step in protecting the Interstate System, the AAA urges enactment of H.R. 5114 or H.R. 5127 or the incorporation of their provisions in H.R. 5200—the Federal-Aid Highway Act of 1961.

LULOW TEXTILE PRODUCTS,
NEEDHAM HEIGHTS, MASS., April 11, 1961.

HON. CHARLES A. BUCKLEY,
Chairman, Committee on Public Works,
House of Representatives, Washington, D.C.

DEAR SIR: At the suggestion of the Honorable John W. McCormack, the enclosed has been prepared to describe to you and the members of your committee a relatively new and inexpensive product originated and developed by this company for the prevention of soil erosion. Elaborate field tests were begun in 1958 by the Soil Conservation Service of the Department of Agriculture. Thereafter various other Federal and States agencies and prominent landscape architects and engineers confirmed its merits. Already it has been adopted by many States and made a part of their highway specifications.

It is called to your attention at this time because you and your contemporaries in the Congress are so carefully studying ways and means of raising revenue to cover the cost of the 41,000 mile \$41 billion Federal interstate highway program which President Kennedy and so many others are anxious to complete on schedule by 1972. Certainly "a dollar saved is a dollar earned" and our jute "soil saver" offers savings that run into the millions as contrasted to the cost of sod and other materials. Experience has proved that this open mesh woven jute material will do everything that sod does for approximately one-half the cost and that it can, in many instances replace asphalt and concrete installations at approximately 10 to 15 percent of their cost.

A Federal highway program of such magnitude as above, all constructed to the latest standards will obviously involve very large areas of roadside surface. A conservative estimate of the fraction of this surface that needs to be proofed against erosion leads us to predict the possibility of savings of the order of \$100 million from the use of our material in place of sod and even more expensive concrete, cobblestone, and asphalt constructions.

We thought it would be helpful for you to have this information promptly and if you desire additional facts we shall be very happy to cooperate.

Yours very truly,

H. G. TRAVIS, *Vice President.*

EXHIBIT A

FEDERAL HIGHWAY PROGRAM: LOWER COSTS IN EROSION CONTROL

This memorandum describes a heavy, woven jute mesh, known in the trade as soil saver which since 1958 has been used where erosion is a problem to hold seed and soil intact on highway bridge abutments, median strips, and shoulder ditches. It is very low in cost, very easy and simple to use. From the moment it is installed its 3,000 check dams per yard retard the flow of water and prevent the seed and soil from washing away. It establishes a permanent sod for long-term erosion control. When grass is firmly established, this jute mesh decomposes and adds 2 tons of rich, organic matter per acre to the soil. Quoted comments by various State and county officials, and representatives of the Soil Conservation Service indicate that the use of the fabric is successful for the intended purpose of developing well sodded slopes and drainage channels.

Specifications for its use have already been established by the U.S. Department of Agriculture Soil Conservation Service and the U.S. Corps of Engineers. The Federal Bureau of Public Roads which approves the necessary contracts for building the interstate roads and their appurtenances cooperates with the States in research on new materials. With its approval the manufacturers of erosion control materials have approached the States participating in the Federal interstate highway program. As a result, the following States have already drawn up specifications for this heavy, woven jute mesh and these specifications are now in use: Arkansas, Illinois, Iowa, Kansas, Kentucky, Maine, Maryland,

Missouri, Nebraska, New Jersey, New York, Ohio, Oklahoma, South Dakota, Tennessee, and Washington.

Specifications in other States, some of which meanwhile approve its use, are in the process of preparation.

Set forth below are three actual and typical case histories which in themselves bear out the observations indicated above that heavy jute mesh is economical, easy to use, gives immediate protection from the moment it is installed and permanent protection through the firm establishment of natural grown sod, withstands heavy water velocities and high winds, provides flexibility in scheduling installations, and conforms to sound turf-establishment methods. It gives the highway departments freedom to select any variety of grass and ground cover that best fits soil and climatic conditions.

Case No. 1. Oahe Dam, Pierre, S. Dak.

To replace a gravel blanket that we understand costs more than \$5 per square yard, the heavy jute mesh was effectively installed at a cost of 42 cents per square yard.

Case No. 2. Iowa. Interstate Route No. 80 near Des Moines.

The State used 21,100 square yards of heavy jute mesh on this project at a cost including seed, fertilizer, "soil saver," staples, and labor of 36 cents per square yard.

Case No. 3. Illinois.

Of five projects which involved the use of 53,100 square yards, the largest use was in the construction of the Reed Road Interchange with FAI 55, located approximately 3 miles west of Braidwood, Ill., in Will-Grundy Counties. Attached hereto is an article by the State district landscape engineer which appeared in Illinois Highway Engineer, third quarter 1960 issue, with his comments on this project. We are informed that the work on heavy jute mesh was done for a total cost to the State of 31 cents per square yard including seed, fertilizer, "soil saver," staples, and labor. (Had sod been used, the contract had stipulated a price of \$1.15 per square yard.) By using jute a very substantial saving was realized plus a bonus in the degree of control achieved in a seemingly impossible situation.

It is interesting to note that over the entire 53,100 square yards used in five projects where the normal means of erosion control were considered inadequate and the conditions to overcome were unusually severe, the State's average cost was 36 cents per square yard.

Fortunately at a time when the supply of field or native sod is growing acutely scarce the heavy jute mesh has proved itself, for nursery sod would be even more expensive than native sod, costs of which in 1960 varied from State to State, ranging from 50 cents to \$1.45 per square yard.

To avoid length and repetition, countless other cases that could similarly be cited are omitted but the above are typical of many more in a great many States. Heavy jute mesh is ready to do its part in performance and economy to make the Federal interstate highway program successful.

EXHIBIT B

SOMETHING NEW IN EROSION CONTROL

(By William Laugher, district landscape engineer, Elgin)

From the results gained from this and numerous other installations, it is quite apparent that jute matting is—

1. more effective in critical areas;
2. equal to any average situation and; most important
3. considerably less costly than sod in any installation.

The problem of acquiring a satisfactory turf covering on steeply graded slopes, and in water channels, has always been a difficult one—especially so during highway construction. Generally these slopes carry a substantial amount of runoff, either from the road surface above or from the natural flow of surface drainage. Heretofore we have relied on sod to resist the forces of erosion, or have extended our normal seeding and asphalt-bound mulch application beyond its capacity to stabilize these difficult areas.

Perhaps the most perplexing erosion problems that I have experienced prevailed during the construction of the Reed Road Interchange with FAI 55, located near the Will-Grundy County line, approximately 3 miles west of Braidwood, Ill.

The general contractor, E. H. Swenson & Son Construction Co., of Joliet, Ill., utilized a short haul borrow that consisted predominantly of silt sand—an extremely fine particle material that eroded with the slightest provocation.

The fill was placed during the summer of 1959, the structure and ramps completed and the interchange opened to traffic during November 1959. Because of the lateness of the season, no attempt was made to provide a finished grade for seeding.

Many of our construction projects are completed during either the heat of summer, or as the Reed Road project, just prior to the advent of winter. In both trying periods we constantly battle the rigors of nature to establish a protective turf in these trouble areas, or delay the completion of the project until favorable conditions exist.

These delays mean money to the contractor, and inconvenience frequently to the public—as was the situation at the Reed Road Interchange. During the winter and early spring months, with a normal accumulation of precipitation, the contractor experienced considerable difficulty and expense in maintaining the fill areas. Frequently severe erosion exposed and undermined the pavement edge before repairs could be made.

Spring and early summer each were exceptionally heavy with rainfall. This served only to further aggravate the situation with repeated repairs being necessary and it became increasingly evident that the usual modes of erosion control would not provide a proper turf cover.

During the fore part of July, the reshaping of the eroded slopes and ditches began. As soon as a slope was graded it was protected with jute matting, a new tool in erosion control work. Jute matting, an open-woven fabric of jute fibers, was developed specifically for use in waterways, stabilizing critical areas until grass became established.

Had this new media been available, application could have been made last November, thereby stabilizing the slope areas during the upcoming crucial periods of rainfall. This points out one of the most important virtues of jute matting in lieu of our normal sodding operations.

Here is a means of near positive control against erosion that can be employed during any season that soil can be worked. Seed applied prior to the installation of jute matting has but to grow when optimum conditions exist. Meanwhile, the matting, intact for as long as 1 year after installation, provides the necessary resistance to the forces of erosion.

(From Illinois Highway Engineer.)

[From Farm Journal, March 1959]

NEW WAY TO SEED DOWN A WATERWAY

By Lester Fox

Amos Ward has a problem. Try as he might, he couldn't get a stand of grass in a waterway on his farm in Baltimore County, Md. Rains kept washing out the seedlings.

Finally, SCS technicians suggested he try using jute matting—like that shown in the photo at left—to protect the new seeding.

The jute worked like a charm. A 3-inch rain hit shortly after seeding, and Ward expected the worst when he went out to see what happened. Instead, he found no wash-outs—just a thin layer of soil over the matting. The grass came through in fine shape and covered 90 percent of the waterway before the season ended.

The Soil Conservation Service hasn't yet given its unqualified approval to this latest use for jute. But Bill Steiner, SCS plant materials man for the Northeast, says that results have been "nothing short of remarkable." The soil stays put, it doesn't dry out as fast because it's partly shaded, and weeds are less of a problem because the grass comes on thicker and faster.

Jute matting comes in 75-yard rolls, 50 inches wide. Each roll covers about 100 square yards and costs \$15 to \$16. Ludlow Manufacturing & Sales Co., Needham Heights, Mass., is now putting out a special "waterway weave" which some Soil Conservation Districts handle for their cooperators.

Here's how you use jute matting. After you've shaped the waterway, prepare a seedbed and plant the grass. Some farmers plant all the seed, then lay the jute. Others plant half the seed before they lay the matting, the other half after it's in place. Both methods seem to work well, and no mulching is needed.

To anchor the matting at the upper end of the waterway, tuck the edge under an inch or two of soil so the water won't undercut it. If you need more than one width, overlap it like you would roofing.

To hold the matting down, take 6- to 8-inch strips of No. 8 wire and bend one end into a fish-hook so you have a sort of staple. Poke one of these into the ground every 6 feet or so. Properly laid and "stapled," the jute matting sticks to the soil like adhesive tape.

SCS folks are enthusiastic about jute. So are farmers who've tried it. "Beats sodding by a mile," they say.

[From the Journal of Soil and Water Conservation]

JUTE FOR WATERWAYS

By R. V. D. Broach, C. S. Slater, M. T. Augustine, E. E. Evalul¹

Flash runoff is the villain that ruins many a beautifully graded and shaped waterway before erosion-resistant grasses can be established. Lining the channel with sod is an expensive solution at best and for many jobs good sod simply is not available.

A repetition of waterway washouts, actual and potential, were a source of headaches for Edward M. Davis, State conservationist for Maryland. He recalled a coarse jute fabric he had seen around cotton bales as a boy. Would such material spread in the channel give temporary protection against gullyng in newly shaped waterways and serve at the same time as a mulch to promote the growth of seedlings or transplants that could give permanent protection? How much would it cost to line a channel with jute thatching? How could you tie it down?

Consulting a manufacturer showed that coarse, open-mesh jute fabric could be furnished for less than 20 cents a square yard. If a still more open weave were used, the cost would be somewhat less. Materials were furnished by the manufacturer and tested in several problem waterways.

One relatively small channel in Anne Arundel County, Md., drains an area of 6 acres. It was rapidly developing a gully, cutting back into the field from an overfall where the water empties at a county road. Silt deposits on the road were also a problem and the waterway had washed out repeatedly.

Sprigs of Midland Bermuda were planted in the critical area after it was filled for a last time. Bermuda could be used here where no risk was involved of having it spread to become a weed. Then the jute thatching was spread and pegged down. In rains that came later, the thatching caught and held silt instead of washing out. Bermuda grass grew through and over the thatching and knitted it to the ground. By the time the jute had rotted the Bermuda grass was in full control and the waterway was stabilized.

A gully—deep enough to bury a truck—on the Amos Ward farm near Deale, Md., was a particularly difficult problem. It extended 400 feet up a natural waterway draining about 80 acres; ground seepage and a spring kept the bottom wet most of the time. This site required more than merely shaping and seeding. A temporary diversion dam was built above the gully head to divert a major part of the runoff and a tile line was put in to reduce seepage and give a controlled outlet to the spring. Even so the filled gully was subject to considerable runoff and generally wet ground conditions.

¹ The authors are with the U.S. Department of Agriculture. R. V. D. Broach and C. S. Slater are soil scientists, Soil and Water Conservation Research Division, Agricultural Research Service, Beltsville, Md. M. T. Augustine is plant materials specialist, Soil Conservation Service, Beltsville, Md. E. E. Evalul is State soil conservationist, Soil Conservation Service, New Brunswick, N.J.

Open-mesh jute fabric were furnished by the Ludlow Manufacturing & Sales Co., Needham Heights, Mass.

The jute thatching used to control erosion here was pegged down over the 400-foot length of filled channel bottom to a width of 8 feet. In a heavy rain-storm that occurred in July shortly after the thatching was laid, channel flow exceeded the width of the thatching. Some rilling occurred at places along its margin.

There was no cutting under the thatching in spite of the deeper flow in the channel bottom. It appeared here that the thatching had prevented a major channel washout before any growth of grass had occurred and the total damage done was negligible. Reed canarygrass that had been sprigged in under the thatching came up nicely and together with other grasses gave evidence in the fall of having completely stabilized the area.

The jute thatching used on the Amos Ward farm had strands about three-fourths of an inch apart. This was compared with a coarser meshed thatching with strands about an inch apart in a roadside ditch that was cutting badly near Anacostia, D.C. The ditch was seeded and the thatching laid in April. In the fall when inspection was made the ditch was completely stabilized with vegetation over both types of thatching; deposition rather than erosion was taking place. In some places the thatching was buried 4 inches deep. We don't know yet how open in spacing (and cheap) jute thatching can be and still stop erosion and get vegetation established.

The use of jute thatching for erosion control on difficult sites has looked good wherever it has been tried. So far it has been used in several States on impoundment inlets along roadsides, in ditches, on overfalls, and in other waterways on sites ranging from heavy upland subsoil in northern Maryland to light sands along Chesapeake Bay.

Where the jute has been less than satisfactory the trouble can be charged to unfamiliarity with its proper use. We have found, for example, that loose soil should be packed after, and not before, the thatching is laid. This insures that water will run over and not under the jute. Water that runs through and under the jute can cause washouts.

The wooden pegs that were first used to fasten the thatching were unsatisfactory in some cases. Straw and other debris in the runoff water caught on the pegs and diverted the runoff out of the thatch-protected channel. Long wire staples that can be driven flush with the ground are better from this standpoint.

Actually we do not know just how much pegging is necessary. The thatching clings and shapes readily to the ground surface. After a rain most of the strands are sealed to the surface by sediment washed into and around the strands.

Jute thatching serves better the purposes of mulch. It is easier to lay and hold in place. It has the tensile strength and weight to resist severe conditions of water flow and erosion. Its cost, for critical areas is not prohibitive. These factors make jute matting one of the most promising materials we have encountered to control erosion and get vegetation established in critical waterway areas.

[From the New York Times, Aug. 30, 1959]

A NET FOR SLOPES

NEW WIDE-MESH MAT STOPS EROSION WHILE GRASS IS TAKING HOLD

A familiar material produced in a new form offers aid in the seeding of slopes and other problem spots in home lawns. Jute fibers—the same as used in burlap—are woven into a special 1-inch mesh material. This cloth or netlike matting, placed over the ground after seeding, holds the soil and grass seed in place until the new turf becomes established. Meanwhile, the jute material, made from natural plant fibers, rots and combines with the earth, actually improving it.

The open matting permits easy passage of moisture, light and air. It need not be removed. On the other hand, the traditional material—tightly woven burlap—may smother the grass seedlings if it is not removed early.

Tested by the U.S. Department of Agriculture's Soil Conservation Service for the last 2 years, the new wide-mesh jute matting has showed remarkable results in grassing steep slopes, waterways and ditches. Similarly, it proved ideal for regressing lawn washouts and for seeding banked terraces.

The wide-mesh jute cloth eliminates the need for buying sod or mulching newly seeded areas with hay and similar materials. Placed flush to the ground, the matting holds moisture and tends to shade out weeds.

Cost is approximately 3 cents per square foot in a single roll. It comes in rolls 50 inches wide, with 100 square feet per roll (\$2.95 delivered). According to the Soil Conservation Service, the Ludlow Manufacturing & Sales Co., Needham Heights, Mass., distributor of the cloth, worked closely in the development of jute for conservation purposes. In some cases, information about local sources of supply may be obtained from county agricultural agents or local SCS offices.

The usual lawn-seeding procedures should precede the use of the jute matting. Prepare a loose but smoothly graded seedbed. Smoothness is important to maintain a complete contact between the jute and the ground. Treat the seedbed with lime and fertilizer as individual conditions demand. Sow the quality grass seed mixture (recommended for the zone) and rake it in lightly.

Where a slope is involved, dig a narrow trench, 4 to 5 inches deep, at the top of the slope. Unroll a few inches of the cloth and tuck it into the trench. Refill the trench and tamp firmly; seed the trench area.

COVER STORY

Then unroll and trim off with heavy scissors a sufficient amount of material to cover the entire seeded area generously. Staple the cloth—at 3- to 4-foot intervals—snugly to the ground. If extra sections of matting are needed, overlap them 4 inches and staple along the overlap. Twelve-inch lengths of wire cut from old coat hangers can be bent into U-shaped staples, or prepared staples can be purchased at garden supply stores.

Foot-stamp or lightly roll the area for maximum soil-jute snugness. The idea of the staples and the tamping as well as the trench at the top of the slope is to prevent water from running under the jute and thus washing the seed and eroding the soil.

Sprinkle the area immediately after seeding and water regularly thereafter as dictated by rainfall. The jute will become imbedded in the sod and will crumble and disappear between seasons.

JOINT COMMITTEE ON HIGHWAYS,
AMERICAN MUNICIPAL ASSOCIATION,
AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS,
Washington, D.C., March 29, 1961.

HON. GEORGE H. FALLON,
Chairman, Subcommittee on Roads,
House of Representatives,
Washington, D.C.

DEAR MR. FALLON: Enclosed we transmit to you an important recommendation, which we will appreciate your giving whatever attention you deem it worth.

Sincerely yours,

MAYOR BEN WEST,
J. BURCH McMORRAN,
Cochairmen, AMA-AASHO Joint Committee on Highways.

The American Municipal Association and the American Association of State Highway Officials Joint Committee on Highways, hereby present, through the joint chairmanship of Mayor Ben West of Nashville, Tenn., and J. Burch McMorran, superintendent of public works and highways of the State of New York, the following recommendation which was unanimously adopted at a meeting of the joint committee on February 24-25, 1961, in Tucson, Ariz.:

"The Joint Committee of the American Municipal Association and the American Association of State Highway Officials recommends the acceleration of the highway program, but recognizes the urgent need to maintain continuity of construction, to the end that the entire program be completed in 1972 as originally scheduled."

Respectfully submitted.

MAYOR BEN WEST,
J. BURCH McMORRAN,
Cochairmen, AMA-AASHO Joint Committee on Highways.

COLUMBUS, OHIO, March 20, 1961.

Congressman CHARLES A. BUCKLEY,
Chairman of House Committee on Public Works,
Washington, D.C.:

The following three resolutions were adopted unanimously by the 14 States comprising the Mississippi Valley Conference of State Highway Departments at their 52d annual meeting in Chicago March 16-18.

RESOLUTION NO. 1

Whereas because of the constantly increasing vehicular registration and mileage traveled on the Nation's highways; and

Whereas deaths and injuries to people and property damage on the Nation's highways is continuing to increase; and

Whereas it is in the national interest to reduce death and injury on the highway at the earliest possible date; and

Whereas many States have committed themselves, both legally and morally, to vastly accelerated programs of highway construction in order to carry out the intent of Congress, as expressed in the Federal Highway Act of 1956 that the Interstate System be brought to simultaneous completion in all the States by 1972; and

Whereas several of the States, in order to provide their share of the cost of the Interstate System, must thoroughly review their State highway revenue position, and be in the position of knowing the Federal-aid matching needs; and

Whereas the present curtailment of the program, from the original schedule has caused hardship and serious financial and economic disturbance to the highway industry, including contractors, material suppliers, equipment manufacturers, labor, and trained engineering personnel: Now, therefore, be it

Resolved, That the Mississippi Valley Conference of State Highway Departments in annual meeting assembled in Chicago, Ill., March 16-18, 1961, urges and petitions the Congress to provide adequate financing for continuation of the A-B-C highway system; and for the Interstate System in accordance with the intent of the 1956 act; and be it further

Resolved, That the conference reassure the Congress and the public of the ability of the State highway departments to construct the Interstate System in accordance with the original schedule set forth in the Highway Act of 1956, or at an accelerated rate; and be it further

Resolved, That the conference firmly believes that the financing necessary for the orderly completion of construction should be provided at this time so as to eliminate future interruptions, valleys, and peaks in the program; and be it further

Resolved, That the existing 90 to 10 Federal-State matching ratio be continued on Interstate System projects; and be it further

Resolved, That there be no deletions or additions either rural or urban in the presently designated Interstate System; and be it further

Resolved, That copies of this resolution be sent to the chairman of appropriate committees and/or subcommittees of the Congress of the United States and Members of Congress from the respective States of the conference.

RESOLUTION NO. 2

Whereas it has been declared to be in the public interest to encourage and assist the various States to control the use of and to improve areas adjacent to the Interstate System by controlling the erection and maintenance of outdoor advertising signs, displays, and devices adjacent to that system; and

Whereas section 131 of title 23, United States Code, provides that States may enter into agreements with the Secretary of Commerce to receive bonus payments for such billboard control; and

Whereas section 131 further provides that the time for entering into such agreements expires June 10, 1961; and

Whereas such date does not provide sufficient time for the several States to consider legislation on this subject and to enter into such agreements: Now, therefore, be it

Resolved, That this Mississippi Valley Conference of State Highway Departments in annual meeting assembled in Chicago, Ill., March 16-18, 1961, urges and petitions the Congress of the United States to extend to June 30, 1965, the period within which the necessary agreements with the Secretary of Commerce may be made and endorses President Kennedy's recommendation that the Federal bonus payment be increased to 1 percent; and be it further

Resolved, That copies of this resolution be sent to the chairman of appropriate committees and/or subcommittees of the Congress of the United States and to all Members of same Congress from the respective States of this conference.

RESOLUTION NO. 3

Whereas the passage of H.R. 4466, H.R. 4599, and H.R. 2790 would make it mandatory as a matter of law that bridges crossing the Mississippi between Minneapolis and the mouth of the Illinois River be constructed 10 to 13 feet higher than is presently required; and

Whereas these bills would require large additional highway expenditures without producing any appreciable saving in waterway transportation costs; and

Whereas these bills would establish a vertical bridge clearance that does not result in minimal transportation costs and are not, therefore, in the public interest; and

Whereas these bills would establish an inflexibility in the administration of transportation matters contrary to the public interest which requires flexibility; and

Whereas in their present form, these bills provide the same vertical clearance in three sections of the waterway that have far different types and volumes of waterway traffic. Any clearance established for one would not be proper for the other two; and

Whereas passage of these bills would nullify all of the progress that has been made during the past 10 years in developing an equitable method of determining the vertical bridge clearance that is most desirable from an overall national interest viewpoint. Such passage would in fact indicate that the Congress did not wish to have bridge clearances established at heights that would result in the lowest possible total transportation cost: Now, therefore, be it

Resolved, That the 1961 Conference of the Mississippi Valley State Highway Departments opposes the passage of these bills and recommends that the determination of bridge clearances be continued to be made by the Corps of Engineers in accordance with general principles now in use and that will result in the lowest possible total transportation cost; and be it further

Resolved, That these general principles now in use generally by the Corps of Engineers to establish bridge clearances be made mandatory by revising the General Bridge Act to include them; and be it further

Resolved, That copies of this resolution be submitted to the members of the Committee on Public Works of the U.S. House of Representatives, to the chairman of each highway subcommittee of the Congress, and to all Members of the same Congress from the respective States of this conference.

E. S. PRESTON,
*Director, Ohio Department of Highways,
Secretary-Treasurer, Mississippi Valley Conference.*

