

Y 4
. P 96/10

87/20

1024

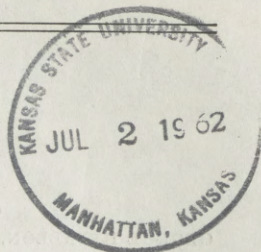
87/20
11/26/64
4108

FEDERAL HIGHWAY ACT OF 1962

(No. 87-20)

GOVERNMENT

Storage



HEARINGS

BEFORE THE

SUBCOMMITTEE ON ROADS

OF THE

COMMITTEE ON PUBLIC WORKS

USE OF REPRESENTATIVES

EIGHTY-SEVENTH CONGRESS

SECOND SESSION

ON

H.R. 9725

TO AUTHORIZE APPROPRIATIONS FOR THE FISCAL YEARS
1964 AND 1965 FOR THE CONSTRUCTION OF CERTAIN HIGH-
WAYS IN ACCORDANCE WITH TITLE 23 OF THE UNITED
STATES CODE, AND FOR OTHER PURPOSES

H.R. 9848

TO AUTHORIZE APPROPRIATIONS FOR THE FISCAL YEARS
1964 AND 1965 FOR THE CONSTRUCTION OF CERTAIN HIGH-
WAYS IN ACCORDANCE WITH TITLE 23 OF THE UNITED
STATES CODE, AND FOR OTHER PURPOSES

H.R. 11199

TO AUTHORIZE APPROPRIATIONS FOR THE FISCAL YEARS
1964 AND 1965 FOR THE CONSTRUCTION OF CERTAIN HIGH-
WAYS IN ACCORDANCE WITH TITLE 23 OF THE UNITED
STATES CODE, AND FOR OTHER PURPOSES

APRIL 17, 18; MAY 1, AND 2, 1962

Printed for the use of the Committee on Public Works

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1962

84261

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION



47
11/20/91
05/78

FEDERAL HIGHWAY ACT OF 1963

COMMITTEE ON PUBLIC WORKS

CHARLES A. BUCKLEY, New York, *Chairman*

GEORGE H. FALLON, Maryland
CLIFFORD DAVIS, Tennessee
JOHN A. BLATNIK, Minnesota
ROBERT E. JONES, Alabama
FRANK E. SMITH, Mississippi
JOHN C. KLUCZYNSKI, Illinois
T. A. THOMPSON, Louisiana
IRIS FAIRCLOTH BLITCH, Georgia
JIM WRIGHT, Texas
W. R. HULL, Jr., Missouri
KENNETH J. GRAY, Illinois
FRANK M. CLARK, Pennsylvania
ED EDMONDSON, Oklahoma
JOHN J. McFALL, California
GRACIE PFOST, Idaho
JOHN YOUNG, Texas
FRANK W. BURKE, Kentucky
HAROLD T. JOHNSON, California
ROBERT E. COOK, Ohio

JAMES C. AUCHINCLOSS, New Jersey
GORDON H. SCHERER, Ohio
WILLIAM C. CRAMER, Florida
JOHN F. BALDWIN, Jr., California
FRED SCHWENGEL, Iowa
EDWIN B. DOOLEY, New York
HOWARD W. ROBISON, New York
PERKINS BASS, New Hampshire
WALTER L. McVEY, Kansas
CARLETON J. KING, New York
WILLIAM H. HARSHA, JR., Ohio
JAMES HARVEY, Michigan
JOHN C. KUNKEL, Pennsylvania
LOUISE G. REECE, Tennessee

MARGARET R. BEITER, *Chief Clerk*
JOSEPH R. BRENNAN, *Engineer-Consultant*
RICHARD J. SULLIVAN, *Chief Counsel*
CLIFTON W. ENFIELD, *Minority Counsel*

SUBCOMMITTEE ON ROADS

GEORGE H. FALLON, Maryland, *Chairman*

FRANK E. SMITH, Mississippi
JOHN C. KLUCZYNSKI, Illinois
CLIFFORD DAVIS, Tennessee
JOHN A. BLATNIK, Minnesota
ROBERT E. JONES, Alabama
FRANK M. CLARK, Pennsylvania
T. A. THOMPSON, Louisiana
ED EDMONDSON, Oklahoma
IRIS FAIRCLOTH BLITCH, Georgia
W. R. HULL, Jr., Missouri

GORDON H. SCHERER, Ohio
WILLIAM C. CRAMER, Florida
JOHN F. BALDWIN, Jr., California
FRED SCHWENGEL, Iowa
HOWARD W. ROBISON, New York
PERKINS BASS, New Hampshire
WALTER L. McVEY, Kansas



CONTENTS

	Page
H.R. 9725.....	1
H.R. 9848.....	2
H.R. 11199.....	3
Testimony of—	
Cook, Hon. Robert E., Member of Congress from the State of Ohio.....	183
Frosh, Stanley, county councilman, Montgomery County, Md.....	211
Greeley, Arthur W., Assistant Chief, Forest Service, accompanied by Reynolds G. Florance, Director, Division of Legislative Liaison, Department of Agriculture.....	66
Harris, Hon. Oren, Member of Congress from the State of Arkansas.....	205
Johnson, Hon. Harold T. (Bizz), Member of Congress from the State of California.....	184
Koch, Robert M., president, National Limestone Institute.....	209
Mangan, Martin P., Assistant Commissioner, Bureau of Indian Affairs; accompanied by Robert J. Trier, Chief, Branch of Roads, Bureau of Indian Affairs.....	172
Martin, Hon. Clarence D., Jr., Under Secretary of Commerce; accompanied by Rex M. Whitton, Administrator, Bureau of Public Roads, Department of Commerce.....	143
Miller, M. Clare, McPherson, Kans.; accompanied by Walter F. Maxwell, Fontana, Calif.; and W. Ray Rogers, Portland, Oreg., appearing on behalf of the Associated General Contractors of America, Inc.....	120
Olsen, Hon. Arnold, a Representative in Congress from the State of Montana.....	196
Pate, C. C., consulting engineer, Tulsa, Okla.; accompanied by William R. Kahl, Baltimore, Md.; representing the Consulting Engineers Council.....	197
Prentiss, Maj. Gen. Louis W., U.S. Army (retired), executive vice presi- dent; accompanied by Burton F. Miller, deputy executive vice president, and Charles D. Curtiss, special assistant to the executive vice president, American Road Builders' Association.....	109
Smith, Harold G., Chief, Office of Program Coordination, National Park Service; accompanied by Dudley Bayliss, Chief of Parkways, National Park Service, Department of the Interior.....	180
Tollenaar, Kenneth C., executive secretary; accompanied by Judge C. W. Ogle, president, and Judge Lloyd Rea, chairman of the Public Lands Committee, Association of Oregon Counties.....	133
Trimble, Hon. James W., Member of Congress from the State of Arkansas.....	196
Ullman, Hon. Al, Member of Congress from the State of Oregon.....	131
West, Ben, mayor, City of Nashville, Tenn., representing the Ameri- can Municipal Association.....	162
Whitton, Rex M., Federal Highway Administrator; accompanied by Francis C. Turner, Deputy Commissioner and Chief Engineer, Bureau of Public Roads.....	6
Womack, J. C., president, American Association of State Highway Officials (State of California); accompanied by Ralph R. Bartles- meyer of Illinois, D. C. Greer of Texas, W. A. Bugge of Washington, and D. H. Bray of Kentucky.....	77
Zumwalt, Eugene V., Chief, Division of Forest Management, Bureau of Land Management; accompanied by Edwin Zaidlicz, forester, Bureau of Land Management, Department of the Interior.....	178

Additional information—

American Association of State Highway Officials:	Page
Policy statement, 1962.....	80
Policy statements, preface.....	82
American Automobile Association, submitted statement.....	220
Associated General Contractors of America, Inc.:	
Letter by M. Clare Miller.....	127
Telegram and attachment.....	130
Baker Lumber Mills, Inc., letter, April 12, 1962, by Earl J. Chartrey, manager.....	140
Balfour, Frank C., public right-of-way acquisition expert, submitted statement.....	189
Baring, Hon. Walter S., a Representative at large from the State of Nevada, submitted statement.....	226
Bennett, Hon. John B., a Member of Congress from the State of Michigan, submitted statement.....	215
Brown, Edward G., Governor, State of California, letter, May 2, 1962.....	184
Bureau of Indian Affairs, submitted statement.....	177
Carver, John A., Jr., Assistant Secretary of the Interior, letter, April 16, 1962.....	173
“Commuters in Chicago Wouldn’t Use ‘El’ If Paid,” article from Washington Post, May 2, 1962, by Laurence Stern.....	216
Consulting Engineers Council, statement by C. C. Pate, consulting engineer.....	200
DiSalle, Michael V., Governor, State of Ohio, letter May 2, 1962.....	183
Freeman, Orville L., Secretary, Department of Agriculture, letter, April 17, 1962.....	76
Hoff Lumber Co., Horseshoe Bend, Idaho, letter from Theodore Hoff, Jr.....	235
Hogle & Co., H., Ogden, Utah, letter from Theodore G. Schmidt.....	235
Industrial Forestry Association, Portland, Oreg., submitted statement.....	227
Kamas Valley, Greys River, and Blazzard Lumber Co., letter.....	234
Moses, Robert, chairman, Triborough Bridge and Tunnel Authority, letter, April 16, 1962.....	48
Poff, Hon. Richard H., a Member of Congress from the State of Virginia, letter, April 16, 1962, with insert letter from Zane M. Jones.....	217
Sports Fishing Institute, letter, April 18, 1962, by Philip A. Douglas, executive-secretary.....	219
Telegrams in favor:	
Elko Chamber of Commerce, Elko Nev.....	232
Pengelly, Mayor Eugene H., Wells, Nev.....	232
Roberts, Arthur M., chairman, Village Board of Trustees, McCall, Idaho.....	233
White Pine Fish & Game Association, Albert A. Stone, president, Ely, Nev.....	233
Utah State University, Logan, Utah, J. Whitney Floyd, dean.....	233
Weber County Commissioners, Ogden, Utah, George T. Frost, chairman.....	234
Wellsville Mountain Area Project Corp., A. Fulmer Allred, president.....	233
Western Forestry & Conservation Association, letter from H. R. Glascock, Jr.....	235
Western Forest Industries Association, Portland, Oreg., submitted statement by Joseph S. Miller.....	222
West Virginia County and Circuit Clerks Association, letter, April 11, 1962, by C. Harold Hanks, president.....	219
Whitton, Rex M., Federal Highway Administration, Bureau of Public Roads:	
Entire prepared statement.....	6
Federal-aid highway projects authorized for planning, etc.....	57
Letter, April 20, 1962, with two tables showing estimated receipts, expenditures and trust fund balances for the fiscal years 1957-73, etc.....	223
Letter, May 7, 1962, additional information on testimony.....	226
Relocation costs for families, tables.....	53
States with no statutory or other legal obligation to pay moving costs, etc.....	55
Wisconsin State Highway Commission, letter, April 30, 1962, to Hon. Robert W. Kastenmeier.....	218

FEDERAL HIGHWAY ACT OF 1962

TUESDAY, APRIL 17, 1962

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

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

Mr. FALLON. Ladies and gentlemen, the Subcommittee on Roads of the Public Works Committee is meeting this morning for hearings on three bills that have been introduced, H.R. 9725, H.R. 11199 and H.R. 9848. These bills are to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

(The bills referred to are as follows:)

[H.R. 9725, 87th Cong., 2d sess.]

A BILL To authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Highway Act of 1962".

AUTHORIZATIONS

SEC. 2. For the purpose of carrying out the provisions of title 23 of the United States Code the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, \$950,000,000 for the fiscal year ending June 30, 1964, and \$975,000,000 for the fiscal year ending June 30, 1965. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 45 per centum for projects under the Federal-aid primary system;

(B) 30 per centum for projects on the Federal-aid secondary system;

(C) 25 per centum for projects on extensions of Federal-aid primary and Federal-aid secondary systems within urban areas.

(2) For forest highways, \$33,000,000 for the fiscal year ending June 30, 1964, and \$33,000,000 for the fiscal year ending June 30, 1965.

(3) For forest development roads and trails, \$40,000,000 for the fiscal year ending June 30, 1964, and \$40,000,000 for the fiscal year ending June 30, 1965.

(4) For park roads and trails, \$18,000,000 for the fiscal year ending June 30, 1964, and \$18,000,000 for the fiscal year ending June 30, 1965.

(5) For parkways, \$16,000,000 for the fiscal year ending June 30, 1964, and \$16,000,000 for the fiscal year ending June 30, 1965.

(6) For Indian reservation roads and bridges, \$12,000,000 for the fiscal year ending June 30, 1964, and \$12,000,000 for the fiscal year ending June 30, 1965.

(7) For public lands highways, \$3,000,000 for the fiscal year ending June 30, 1964, and \$3,000,000 for the fiscal year ending June 30, 1965.

DEFINITIONS

SEC. For the purposes of section 2 of this Act each of the following terms shall have the same meaning as is given it in section 101 of title 23 of the United States Code:

- (1) Forest development roads and trails;
- (2) Forest highway;
- (3) Indian reservation roads and bridges;
- (4) Park roads and trails;
- (5) Parkway;
- (6) Public lands highways;
- (7) Federal-aid primary system;
- (8) Federal-aid secondary system;
- (9) Urban area.

[H.R. 9848, 87th Cong., 2d sess.]

A BILL To authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Highway Act of 1962".

AUTHORIZATIONS

SEC. 2. For the purpose of carrying out the provisions of title 23 of the United States Code the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, \$950,000,000 for the fiscal year ending June 30, 1964, and \$950,000,000 for the fiscal year ending June 30, 1965. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

- (A) 45 per centum for projects under the Federal-aid primary system;
- (B) 30 per centum for projects on the Federal-aid secondary system;
- (C) 25 per centum for projects on extensions of Federal-aid primary and Federal-aid secondary systems within urban areas.

(2) For forest highways, \$33,000,000 for the fiscal year ending June 30, 1964, and \$33,000,000 for the fiscal year ending June 30, 1965.

(3) For forest development roads and trails, \$40,000,000 for the fiscal year ending June 30, 1964, and \$40,000,000 for the fiscal year ending June 30, 1965.

(4) For park roads and trails, \$18,000,000 for the fiscal year ending June 30, 1964, and \$18,000,000 for the fiscal year ending June 30, 1965.

(5) For parkways, \$16,000,000 for the fiscal year ending June 30, 1964, and \$16,000,000 for the fiscal year ending June 30, 1965.

(6) For Indian reservation roads and bridges, \$12,000,000 for the fiscal year ending June 30, 1964, and \$12,000,000 for the fiscal year ending June 30, 1965.

(7) For public lands highways, \$3,000,000 for the fiscal year ending June 30, 1964, and \$3,000,000 for the fiscal year ending June 30, 1965.

DEFINITIONS

SEC. 3. For the purposes of section 2 of this Act each of the following terms shall have the same meaning as is given it in section 101 of title 23 of the United States Code:

- (1) Forest development roads and trails;
- (2) Forest highway;
- (3) Indian reservation roads and bridges;
- (4) Park roads and trails;
- (5) Parkway;
- (6) Public lands highways;
- (7) Federal-aid primary system;
- (8) Federal-aid secondary system;
- (9) Urban area.

[H.R. 11199, 87th Cong., 2d sess.]

A BILL To authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal-Aid Highway Act of 1962".

AUTHORIZATIONS

SEC. 2. For the purpose of carrying out the provisions of title 23 of the United States Code the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system and the Federal-aid secondary system and for their extension within urban areas, out of the Highway Trust Fund, \$950,000,000 for the fiscal year ending June 30, 1964, and \$950,000,000 for the fiscal year ending June 30, 1965. The sums authorized in this paragraph for each fiscal year shall be available for expenditure as follows:

(A) 45 per centum for projects on the Federal-aid primary highway system;

(B) 30 per centum for projects on the Federal-aid secondary highway system; and

(C) 25 per centum for projects on extensions of the Federal-aid primary and Federal-aid secondary highway systems in urban areas.

(2) For forest highways, \$33,000,000 for the fiscal year ending June 30, 1964, and \$33,000,000 for the fiscal year ending June 30, 1965.

(3) For forest development roads and trails, an additional \$10,000,000 for the fiscal year ending June 30, 1963, \$70,000,000 for the fiscal year ending June 30, 1964, and \$85,000,000 for the fiscal year ending June 30, 1965.

(4) For public land development roads and trails, \$2,000,000 for the fiscal year ending June 30, 1964, and \$4,000,000 for the fiscal year ending June 30, 1965.

(5) For park roads and trails, \$22,000,000 for the fiscal year ending June 30, 1964, and \$25,000,000 for the fiscal year ending June 30, 1965.

(6) For parkways, \$16,000,000 for the fiscal year ending June 30, 1964, and \$16,000,000 for the fiscal year ending June 30, 1965.

(7) For Indian reservation roads and bridges, \$16,000,000 for the fiscal year ending June 30, 1964, and \$18,000,000 for the fiscal year ending June 30, 1965.

(8) For public lands highways, \$3,000,000 for the fiscal year ending June 30, 1964, and \$3,000,000 for the fiscal year ending June 30, 1965.

ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES

SEC. 3. (a) Chapter 1 of title 23, United States Code, is amended by revising the definition of the term "construction" in section 101 to read as follows:

"The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), costs of rights-of-way (including the administrative expenses of providing arrangements for the relocation of families and relocation payments to families and businesses under section 133), and elimination of hazards of railway grade crossings."

(b) Chapter 1 of title 23, United States Code, is amended by adding a new section at the end thereof as follows:

"§ 133. Assistance for displaced families and businesses

"(a) The Secretary, as a condition precedent to his approval under section 106 of this title, shall require the State highway department, through an agency or agencies acceptable to the Secretary, 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, and that there are or will be provided in areas not generally less desirable in regard to the availability of public utilities and public and commercial facilities 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 adequate in number to accommodate such displaced families and reasonably accessible to their places of employment.

"(b) The Secretary may approve, as a part of the cost of construction of a project on any of the Federal-aid highway systems, relocation payments by a State highway department, or a local public agency acting as an agent for the State highway department for this purpose, to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property, except goodwill or profit, caused by their displacement from real property acquired for such project and for which reimbursement or compensation is not otherwise made.

"(c) Payments under this section shall be subject to such rules and regulations as may be prescribed by the Secretary, and shall not exceed \$200 in the case of an individual or family, or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization. Such rules and regulations may include provisions authorizing payments to individuals and families of fixed amounts (not to exceed \$200 in any case) in lieu of their respective reasonable and necessary moving expenses and actual direct losses of property."

(c) The analysis of chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof the following:

"133. Assistance for displaced families and businesses."

(d) The provisions of this section shall be applicable only to displacements occurring subsequent to the enactment of this Act.

PUBLIC LAND DEVELOPMENT ROADS AND TRAILS

SEC. 4. (a) Section 101 of title 23, United States Code, is amended by inserting immediately after the paragraph which begins "The term 'project agreement' means", the following:

"The term 'public land development roads and trails' means those roads or trails that are of primary importance for the development, protection, administration, and utilization of lands and resources administered by the Bureau of Land Management, or when necessary, for the use and development of the resources upon which communities within or adjacent to lands administered by the Bureau of Land Management are dependent."

(b) Chapter 2 of title 23, United States Code, is amended by inserting the following new section in its numerical sequence:

"§ 205A. Public land development roads and trails

"(a) Funds available for public land development roads and trails shall be used to pay for the cost of construction and improvement thereof.

"(b) Funds available for public land development roads and trails shall be available for adjacent vehicular parking areas and for sanitary, water, and fire control facilities."

(c) The analysis of chapter 2 of title 23, United States Code, is amended by inserting the following in its numerical sequence:

"205A. Public land development roads and trails."

AVAILABILITY OF FUNDS—OTHER HIGHWAYS

SEC. 5. Section 203 of title 23, United States Code, is amended by inserting immediately before the phrase "park roads and trails", wherever it appears in said section, the phrase "public land development roads and trails,".

FEDERAL-AID SECONDARY HIGHWAY SYSTEM—URBAN AREAS

SEC. 6. (a) The last sentence of subsection (c) of section 103 of title 23, United States Code, is amended to read as follows: "This system may be located both in rural and urban areas, but any extension of the system into urban areas shall be subject to the condition that such extension pass through the urban area or connect with another Federal-aid system within the urban area."

(b) To the extent that this section provides additional authority for the use of Federal-aid apportionments for extensions of the secondary system in urban areas, such additional authority shall apply with respect to apportionments made prior to as well as after the date of approval of this Act.

TRANSPORTATION PLANNING IN METROPOLITAN AREAS

Sec. 7. (a) Chapter 1 of title 23, United States Code, is amended by adding thereto a new section as follows:

“§ 134. Transportation planning in metropolitan areas

“It is declared to be in the national interest to encourage and promote the development of balanced transportation systems, embracing all appropriate modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States, as authorized under this title, in the development of long-range highway plans and programs, properly coordinated with plans for improvements in other forms of transportation and formulated with due consideration to their probable effect on the future development of metropolitan areas. The Secretary shall, beginning no later than July 1, 1965, before approving programs for projects in any metropolitan area, as required by section 105 hereof, make a finding that such projects are consistent with adequate comprehensive development plans for the metropolitan areas, or are based on the results of a continuing comprehensive transportation planning process carried on cooperatively by the States and local communities and that the Federal-aid system so developed will be an integral part of a soundly based, balanced transportation system for the area involved.”

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

“134. Transportation planning in metropolitan areas.”

HIGHWAY PLANNING AND RESEARCH FUNDS

Sec. 8. Subsection (c) of section 307 of title 23, United States Code, is amended to read as follows:

“(c) Of the sum apportioned for any year, commencing with those for the fiscal year 1964, to any State under section 104 of this title, 1½ per centum shall be available, with the approval of the Secretary, for expenditure upon request of the State highway department for engineering and economic surveys and investigations, for the planning of future highway programs and the financing thereof, for studies of the economy, safety, and convenience of highway usage and the desirable regulation and equitable taxation thereof, and for research necessary in connection with the planning, design, construction, and maintenance of highways and highway systems, and the regulation and taxation of their use. An additional one-half of 1 per centum of sums apportioned for any year to any State under paragraphs (1), (2), and (3) of section 104(b) of this title shall be available, with the approval of the Secretary upon the request of the State highway department, for highway research purposes as set forth in this subsection. Sums available in any State under this subsection shall be matched by the State in accordance with the matching requirements of section 120 of this title, except as the Secretary may determine that the interests of the Federal-aid highway program would be at best served without such matching. Such sums shall be administered as a single fund but their identity as interstate, primary, secondary, or urban funds shall be preserved, and shall continue to be available in that State for the purposes hereof in the same manner as provided for under section 118 of this title. Any research and planning moneys derived from interstate funds which are required to be reapportioned in the manner provided by subsection (b) of said section 118 shall be available upon such reapportionment only for the purposes for which such moneys were originally available under this subsection.”

Mr. FALLON. In the hearings this morning I wish the witnesses in their testimony would feel that they can refer to any one of the three bills.

Two of the bills, H.R. 9725 and H.R. 9848, are almost similar, with the exception that H.R. 9725 accelerates the amount of money for the A-B-C system, \$75 million over the 2 years, whereas H.R. 9848 accelerates it \$50 million for the 2 years; and the first section of H.R. 11199 accelerates it \$50 million for the 2 years.

The two bills, H.R. 9725 and H.R. 9848, are identical in amounts with the amounts in the last 2 previous years. The bill H.R. 11199 accelerates some of the forest development roads and trails, Indian reservation roads, and bridges, and park roads and trails.

In addition to that, H.R. 11199 has several other changes in it, adding a new category in public land development roads and trails.

It also adds a section for assistance for displaced persons, families and businesses; and another new section called transportation planning in metropolitan areas.

That about sums up what these bills contain.

Our first witness this morning will be Mr. Rex Whitton, the Federal Highway Administrator.

Mr. Whitton, I see you have Mr. Turner with you.

STATEMENT OF REX M. WHITTON, FEDERAL HIGHWAY ADMINISTRATOR; ACCOMPANIED BY FRANCIS C. TURNER, DEPUTY COMMISSIONER AND CHIEF ENGINEER, BUREAU OF PUBLIC ROADS

Mr. WHITTON. With your permission I would like for Mr. Turner to sit at the table with me, Mr. Chairman.

Mr. FALLON. You go right ahead, Mr. Whitton.

Mr. Whitton, may I on behalf of the committee this morning welcome you and thank you for coming up.

Mr. DAVIS. Off the record.

(Discussion off the record.)

Mr. FALLON. We will be glad to hear from you now, Mr. Whitton.

Mr. WHITTON. Mr. Chairman, it is again a pleasure for Mr. Turner and me to have the opportunity to appear before this committee, where we feel quite at home, because you have made us feel that way.

We would like your permission to read the first 12 pages and then of the remaining pages we would like to skip through and read some of the remaining portions and have your permission to put the entire statement into the record.

Mr. FALLON. If there is no objection, it is so ordered.

(The entire prepared statement of Mr. Whitton 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, it is again a pleasure to appear before you, to present the views of the Department of Commerce on H.R. 9725, introduced by Congressman Fallon and on H.R. 11199, introduced by Congressman Buckley. The latter bill was based on draft legislation submitted to the Congress by the Department of Commerce on April 6, 1962, to implement certain of the recommendations contained in the President's recent message on transportation, and to provide authorizations for the Federal-aid A-B-C highway program and for other Federal road construction programs at levels recommended by the administration.

Also, I am furnishing the committee certain up-to-date and pertinent information on the present status of the Federal-aid highway program, as well as other current matters of importance in the highway field. We feel that it is our responsibility to keep the Congress fully informed of developments in this vital program.

The President's message on transportation was submitted to the Congress on April 5, 1962 (H. Doc. 384, 87th Cong., 2d sess.). On April 6 the Secretary of Commerce sent to the Congress a proposed draft of bill to be cited as the Federal-Aid Highway Act of 1962. The purpose of H.R. 11199, identical to the administration's draft proposal, is to provide authorizations for the Federal-aid A-B-C highway program, as well as for other direct Federal highway programs, and to carry out specific recommendations of the President made in his transportation message.

The Federal Highway Act of 1960 (74 Stat. 522) authorized the appropriation of funds for the Federal-aid primary and secondary highway systems and exten-

sions thereof within urban areas, the A-B-C program to which I have referred, for the fiscal years 1962 and 1963 in the amount of \$925 million for each year. Funds authorized for the fiscal year 1962 were apportioned to the States in 1960, and the final apportionment of funds authorized for the fiscal year 1963 was made by the Secretary of Commerce, effective October 10, 1961.

Since all authorized funds for the A-B-C highway program have been apportioned, it is necessary that the Congress give consideration during this session to the enactment of legislation making annual authorizations for the fiscal years 1964 and 1965 for continuation of the construction of these highways.

The pending legislation, H.R. 9725, would provide authorizations for the fiscal years 1964 and 1965 for the Federal-aid primary and secondary highway systems and their extensions within urban areas. Authorizations proposed by H.R. 9725 for the fiscal year 1964 would amount to \$950 million for the A-B-C program, an increase of \$25 million over the amount of \$925 million authorized by the Congress for this program for fiscal year 1963. For the fiscal year 1965 there would be an increase to \$975 million, or \$50 million over the fiscal 1963 level.

The net effect of annual increases of \$25 million in the A-B-C authorizations, beginning with fiscal 1964 and continuing until a \$1 billion annual level is reached for fiscal 1966, would be to increase the total authorizations of A-B-C funds by \$75 million during the trust fund period, of which \$25 million would be authorized by H.R. 9725 and \$50 million would result from continuing the annual increases for fiscal 1966 and 1967. Such additional authorizations would increase expenditures from the trust fund by a like amount.

In his special message to the Congress of February 28, 1961 (H. Doc. 96, 87th Cong., 1st sess.), the President recommended that the authorizations for the regular A-B-C programs be increased by \$25 million every 2 years beginning in 1964 until a \$1 billion level is reached and maintained. The authorization proposed in H.R. 9725 for the A-B-C program for the fiscal year 1965 is not, therefore, in line with the President's recommendations.

The Department of Commerce favors instead enactment of the authorization levels proposed in H.R. 11199. Section 2 of that bill would authorize funds for the Federal-aid primary and secondary systems and extensions thereof within urban areas in the amount of \$950 million for each of the fiscal years 1964 and 1965. This represents an increase of \$25 million over the authorization level for the 2 previous fiscal years and is in accordance with the recommendations of the President.

This increase in the authorization for the A-B-C program is considered necessary for its orderly continuation consistent with the national interest expressed in section 101(b) of title 23, United States Code. It is also in line with the increased authorizations provided for the Interstate System under section 103 of the Federal-Aid Highway Act of 1961 (75 Stat. 122).

Under the provisions of both H.R. 9725 and H.R. 11199, authorizations for the forest highway program would be made for fiscal years 1964 and 1965 in the same amount, \$33 million, authorized for these highways by the 1960 act for fiscal years 1962 and 1963.

With respect to public lands highways, the bills would continue for fiscal years 1964 and 1965 authorizations at the \$3 million level previously authorized for fiscal year 1963.

We consider that the sums proposed by this legislation are essential to maintain these programs at an appropriate level.

Other highways provided for—forest development roads and trails, national park roads and trails, national parkways and Indian Reservation roads, as well as a proposed new category in H.R. 11199 to be known as public land development roads and trails—are under the primary jurisdiction of other departments of the Federal Government. Justification for these programs will be furnished by these departments.

I will turn now to the specific recommendations of the President for amendments to the Federal-aid highway legislation made in his recent and timely message on transportation, a subject vital to the interests of the entire country.

One of these recommendations, concerning relocation assistance for those displaced as a result of Federal-aid highway construction, is not entirely new as the President had referred to this problem in his special message on highways of more than a year ago.

On the matter of displacement of families, the President mentioned his previous message and stated that: "To move toward equity among the various federally assisted programs causing displacement, I recommend that assistance and requirements similar to those now applicable to the urban renewal program be authorized for the Federal-aid highway program * * *."

Section 3 of the bill, H.R. 11199, now under consideration by this committee would implement this recommendation. The Secretary of Commerce would be authorized to require assurances by the State highway departments of feasible temporary relocation methods and availability of suitable dwellings for families displaced by Federal-aid highway projects, and to approve Federal-aid participation in State relocation payments, with specified limitations, for reasonable and necessary moving expenses and actual property losses not otherwise compensated.

The limitations on relocation payments would be:

- (1) \$200 in the case of an individual or family; and
- (2) \$3,000 in the case of a business concern or nonprofit organization (or if greater, the total certified actual moving expenses).

The proposed provision is designed to alleviate certain hardships to families and businesses displaced as a result of Federal-aid highway construction.

We estimate that the interstate program alone will annually displace about 15,000 families and 1,500 businesses in the next 6 to 8 years. Under existing Federal-aid highway legislation, no provision is made for those displaced. The circumstances of these displacements, therefore, are generally less favorable than those occurring under the federally assisted urban renewal program, which displaces around 30,000 families and 4,000 businesses annually. When families are required to move, it is only fair and proper that they should have the opportunity of occupying housing that is decent, safe, sanitary, that is within their financial means, and that is in reasonably convenient locations. Moreover, they should be afforded assistance where necessary in order to minimize the hardships involved in finding a suitable dwelling in which to live.

We have made no detailed estimate on the cost of this proposed new relocation assistance program. Based on the limits of payment set by the bill, however, we estimate its cost would approximate \$50 million. We understand that the experience of the Housing and Home Finance Agency under the urban renewal program has resulted in an average relocation payment of about \$65 to families and about \$1,150 to businesses.

In his message on transportation, the President also recommended "that the Federal-aid highway law be amended to permit more extensive use of Federal-aid secondary funds for extensions of the secondary system in urban areas."

Certain States are finding it increasingly difficult to improve the extensions of the Federal-aid secondary system into urban areas because of the higher priority for the use of available urban funds for the improvement of primary system extensions in these urban areas. This causes a particular hardship in the outlying sections of the larger urban areas where there is rapid suburban expansion and in smaller cities where the urban extensions of secondary routes do not carry a sufficiently large volume of traffic to merit high priority on available urban funds.

As a result, in many cases secondary routes are improved up to the urban limits, and urban funds are not available for their improvement within these urban limits to provide an integrated system of improved highways.

Section 6 of H.R. 11199 relating to extensions of the Federal-aid secondary system into urban areas, is designed to implement the foregoing recommendation. It would remove the present limitation on Federal-aid financing of such extensions, now under certain conditions restricted to urban funds.

This provision would permit increased flexibility in financing improvements on Federal-aid secondary routes within urban areas and, if enacted, would promote an integrated system of improvements in such areas. We believe that it would be particularly helpful in certain States that contain many individual and grouped urban areas, and where, in practice, the transfer of funds from primary or secondary apportionments to the class of urban funds for the purpose of improving extensions of secondary routes within urban areas has not been adequate under the provisions of section 104(c) of title 23, United States Code.

Another of the President's recommendations relates directly to highway projects in metropolitan areas.

A major objective of national transportation policy in the use of Federal assistance programs is to encourage and facilitate the development by States and local communities of balanced transportation systems consistent with long-range comprehensive development plans.

In order that this objective may be expeditiously carried out, we believe that the recommended modification of the basic Federal-aid highway legislation, as contained in section 7 of H.R. 11199, is highly desirable. The Secretary of Commerce would be granted authority to cooperate with the States in the development of long-range highway plans and programs for metropolitan areas which would form integral parts of a total transportation system for those areas.

Section 7 would require, as a condition to the approval of a highway program involving a metropolitan area, that State and local agencies undertake transportation planning on a continuing basis consistent with programs of comprehensive planning that are developed for the metropolitan area. By encouraging balanced transportation planning, we believe that the quality of general metropolitan planning would be improved.

Enactment of this provision is believed timely in view of the increased emphasis being given to long-range planning and programming by the Bureau of Public Roads and the State highway departments in connection with expenditures of Federal-aid highway funds. It would require the States and their metropolitan areas to adopt a process of planning already demonstrated by trial to be feasible and effective. The experience of the Bureau of Public Roads in the highway transportation field could be utilized to the advantage of all levels of government concerned.

Moreover, the proposed requirement would place the Federal-aid highway program in a position with respect to planning comparable to the urban transportation program of the Housing and Home Finance Agency, and thus strengthen the coordinated approach to urban transportation development already informally established by the two agencies.

Its enactment would in no way delay the current Federal-aid highway program. Reasonable time would be allowed for the States and local communities to establish the continuing planning process that would be required and to produce the plans to which their highway systems would conform. The cooperative working arrangements undertaken by the Bureau of Public Roads with States and localities in the area of transportation planning will permit the Federal guidance and leadership necessary to achieve the objective of sound and uniform transportation planning in metropolitan areas.

The President has referred in his transportation message to another important phase of coordinated transportation planning for metropolitan areas through the use of funds made available under both Federal highway and housing legislation. He has recommended "that the Federal-aid highway law be amended to increase the percentage of Federal funds available to the States for research and planning."

Provisions of existing law regarding the use of Federal-aid highway funds apportioned to the States for planning and research purposes would be revised significantly under section 8 of H.R. 11199. Generally, the amount of such funds for highway research would be increased, all highway planning and research funds would be matched by the States and, if not so used, would lapse.

At present, under section 307(c) of title 23, United States Code, not to exceed 1½ percent of all Federal-aid funds apportioned to the States for any fiscal year may be used upon the request of the State highway department, with the approval of the Secretary of Commerce, for certain highway planning and research projects. Although it has been the policy of the Bureau of Public Roads to encourage the States to match such funds, the law now provides that such funds are available with or without State matching funds.

We believe that the language defining the scope of highway research and planning projects which may be undertaken pursuant to section 307(c) is sufficiently flexible to cover any reasonably foreseeable highway planning or research project needed in connection with the Federal-aid highway program. However, the Bureau of Public Roads and the Department of Commerce have had under consideration for some time the need for expanding the dollar volume of highway research activities undertaken by or through the State highway departments with the aid of Federal funds. We have recognized the importance of highway planning and research in our recent reorganization by creating an Office of Planning as well as an Office of Research within the Bureau of Public Roads.

In order to stimulate additional highway research activities in the Federal-State cooperative area, an additional one-half of 1 percent would be made available for highway research purposes from funds apportioned to the States for the A-B-C program. Interstate funds would be involved only with respect to the 1½ percent allocation but not the additional one-half of 1 percent. This additional one-half of 1 percent, together with State matching funds, would amount to almost \$10 million annually. This sum would be in addition to the present 1½ percent which is currently being used for both highway planning and highway research.

It is also recommended that the present law be amended to require that these funds, both the 1½ percent now permitted under existing law and the proposed additional one-half of 1 percent, be matched by the States in accordance with the applicable State matching requirements of section 120 of title 23, United States Code; that is, funds deducted from Interstate System apportionments

would be matched generally on a 90-10 basis and A-B-C funds on a 50-50 basis. An exception to this matching requirement may be made where the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

As an additional incentive toward use of these funds for planning and research purposes, the proposed legislation provides that planning and research funds derived from funds apportioned for the A-B-C program shall lapse in the same manner as construction funds if not obligated for the purposes of section 307(c). Any moneys derived from Interstate funds, however, would be reapportioned for planning and research purposes as provided under 23 U.S.C. 118(b) for construction funds.

The Bureau of Public Roads and the Department of Commerce urge that the Congress favorably consider the enactment of H.R. 11199. Its enactment would be in accord with the program of the President, and it would further the objectives of the administration in the field of highway transportation particularly those phases bearing on urban highway transportation problems.

With the permission of the committee, I should like to cover some matters of broad significance to our program that I have referred to only briefly at the outset of this statement.

STATUS AND PROGRESS OF THE FEDERAL-AID HIGHWAY PROGRAM

We are pleased to advise you again 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 \$12.484 billion, and expenditures have totaled \$12.283 billion. On January 1, 1962, the balance in the highway trust fund was \$201 million.

The status of improvement of the Interstate System as of December 31, 1961, is shown on the attached map and summarized by States in the attached table 1.

A total of 12,296 miles of the Interstate System has now been improved and open to traffic, as shown in figure 1, representing an increase of 1,856 miles during the past year. This total mileage improved and open to traffic includes 7,722 miles improved with Interstate funds, 2,271 miles improved with other public funds, and 2,303 miles of toll roads incorporated in the System as authorized by the 1956 legislation.

In addition to the sections open to traffic, 4,245 miles of the Interstate System were under construction on December 31, 1961, and engineering or right-of-way acquisition were under way on 10,668 miles. Thus on December 31, 1961, some form of work was completed or underway on 27,209 miles or 66 percent of the 41,000-mile Interstate System. Work was not yet started on 13,791 miles.

Interstate projects totaling \$6.2 billion have been completed since July 1, 1956. The completed projects include construction contracts at a total cost of \$5.1 billion and engineering and right-of-way acquisition totaling \$1.1 billion.

Interstate projects underway or authorized on December 31, 1961, totaled \$6.2 billion. The work underway included construction contracts totaling \$3.7 billion and engineering and right-of-way acquisition totaling \$2.5 billion.

We have now reached almost the one-third point in authorizations for completion of the Interstate System. As shown in table 2 covering work authorized through December 31, 1961, preliminary engineering work has been authorized covering 54 percent of the total program. About 48 percent of the right-of-way acquisition work has been authorized. Contracts have been advertised on 27 percent of the work. In total, the work authorized to date represents 31 percent of the total cost of the Interstate System as developed in the 1961 estimate.

The status of active and completed projects financed from Federal-aid Interstate funds is shown by States in the attached table 3.

For the A-B-C 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 \$9 billion. The completed projects include over 131,000 miles of construction contracts, at a total cost of \$8.4 billion, and engineering and right-of-way acquisition totaling \$578 million.

A-B-C projects were underway or authorized on December 31, 1961, totaling \$3.2 billion. The work underway included over 22,200 miles of construction contracts at a total cost of \$2.8 billion and engineering and right-of-way acquisition totaling \$429 million.

The status of active and completed projects under the A-B-C program is shown by States in the attached table 4.

At this time, I would like to give the committee a brief final report on the emergency program financed from the special funds authorized by sections 2(a) and 2(e) of the 1958 act. The work financed from these funds has been completed for some time and all except a few projects have been closed out.

As an antirecession measure to aid the economy, relieve unemployment, and provide needed highway improvements, section 2(a) of the Federal-Aid Highway Act of 1958, approved April 16, 1958, authorized an additional \$400 million of special Federal-aid highway funds (D funds) for the fiscal year 1959, to be apportioned to the States using the same formulas prescribed for primary, secondary, and urban highway funds. These funds were available to the States on a two-thirds Federal and one-third State matching basis, without stipulation as to the amount to be expended on either the Federal-aid primary or secondary highway systems. Projects financed from these funds were required to be awarded to contract by December 1, 1958, for completion by December 1, 1959. Section 2(e) of the act authorized \$115 million as repayable advances (L funds) to assist the States in meeting up to two-thirds of the requirements for State matching funds, provided that the amounts so used by the States were to be repaid later by deduction from subsequent fiscal year apportionments of A-B-C funds.

Under this special program, Federal-aid primary, secondary, and urban highway projects financed at a total cost of \$618 million were placed under contract within a period of 7½ months from date of authorization of the funds, in addition to and without delay to the regular A-B-C and interstate programs. The projects provided 12,110 miles of highway improvements, including 2,075 miles of grading and drainage or low-type surfacing, 2,166 miles of intermediate-type surfaces, 7,824 miles of high-type surfaces, and 1,330 bridges over 20-foot span having a combined total length of 45 miles.

A total of \$102 million of L fund repayable advances were used by the States in matching the special D funds. These advances have been repaid in full by deductions from the 1961 and 1962 fiscal year apportionments of A-B-C funds. Three States elected not to utilize repayable advances, and there were no deductions from 1961 and 1962 apportionments in those cases.

Details of this special program are shown by States in table 5.

The Federal-aid highway program is being advanced at the maximum level that can be supported from revenues accruing to the highway trust fund. The 1963 fiscal year apportionments made last August included the A-B-C apportionment of \$925 million and the interstate apportionment of \$2.4 billion as authorized by the 1961 act.

Scheduling of obligations continues to be necessary in order that the trust fund balance will be adequate to reimburse the States promptly for work done. The schedule provides for obligations totaling \$3.3 billion for the current fiscal year. For next year the estimated amount available for obligation is equal to apportionments expected to be made later this calendar year for the fiscal year 1964, totaling \$950 million for the A-B-C program and \$2.6 billion for the interstate program, with upward adjustments as necessary to provide that each State may obligate all 1963 and prior fiscal year apportionments of A-B-C and interstate funds.

The approximate Federal fund amounts expected to be available for obligation during the fiscal years 1963 through 1967 have been estimated and furnished to the States in order that such information will be available to them for advance planning purposes. The amounts estimated to be available for obligation during these years correspond closely to the amounts expected to be apportioned during those years for the A-B-C and interstate programs combined.

The program for completion of the Interstate System as authorized by the Federal-Aid Highway Act of 1961 is shown in figure 2.

Under this authorized program the interstate apportionments total \$37 billion. It is expected that an interstate apportionment of \$2.6 billion will be made this summer for the fiscal year 1964, as shown by States in table 6, and that apportionments for succeeding fiscal years will 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.

In addition to these interstate apportionments totaling \$37 billion, the proposed program provides for A-B-C and other programs, including emergency relief and bridges over dams, totaling \$16.532 billion through fiscal year 1972.

Estimated annual apportionments, disbursements, revenues, and trust fund balances for the program to be financed from the highway trust fund are shown in table 7.

Future apportionments of A-B-C funds would be made in the amount of \$950 million for fiscal 1964, as shown in tables 6 and 7, \$950 million for the fiscal year 1965, \$975 million for the fiscal years 1966 and 1967, and \$1 billion annually for the fiscal years 1968 through 1972, as recommended by the President in his special message to the Congress on February 28, 1961. Apportionments in these amounts, involving increases of \$25 million every 2 years beginning with the apportionment for the fiscal year 1964, are in accord with the President's recommendations for keeping the A-B-C program in balance with the expanded interstate program.

The amounts included for other programs cover estimated requirements of \$5 million annually 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.

Trust fund revenues provided by the 1961 act and prior legislation are estimated to total \$52.639 billion through September 30, 1972. As shown in table 7, these estimated revenues would be adequate to meet financing requirements for the \$37 billion interstate program and for the A-B-C and other programs as discussed above with a surplus of \$176 million under current estimates of trust fund revenues.

We are pleased to report that actual costs for completion of the Interstate System are running very close to the estimate of costs as reported to the Congress in January 1961 (H. Doc. 49, 87th Cong., 1st sess.). The ratios of actual to estimated costs are as follows for work authorized from January 1, 1960, through December 31, 1961:

Item	Actual total cost (million dollars)	Ratio of actual to estimated cost (percent)
Preliminary engineering.....	\$206	98.6
Right-of-way.....	1, 176	103.3
Construction.....	3, 883	98.9
Total.....	5, 265	99.9

The tabulation of cost experience in the construction of the Interstate System indicates that actual costs for the portions of the Interstate System authorized during the 2-year period following the cutoff date for the 1961 estimate are 99.9 percent of the estimated costs for the same system segments as reported to Congress in the 1961 estimate. This relationship, percentagewise, between actual and estimated costs will vary from State to State, reflecting changing conditions in rural and urban areas, and changes in unit prices, etc., over those existing at the estimate date. Nationwide, however, the estimate of costs and the actual costs are in close agreement, indicating the soundness of the 1961 estimate as a measure of the ultimate cost of the 41,000-mile Interstate System now designated.

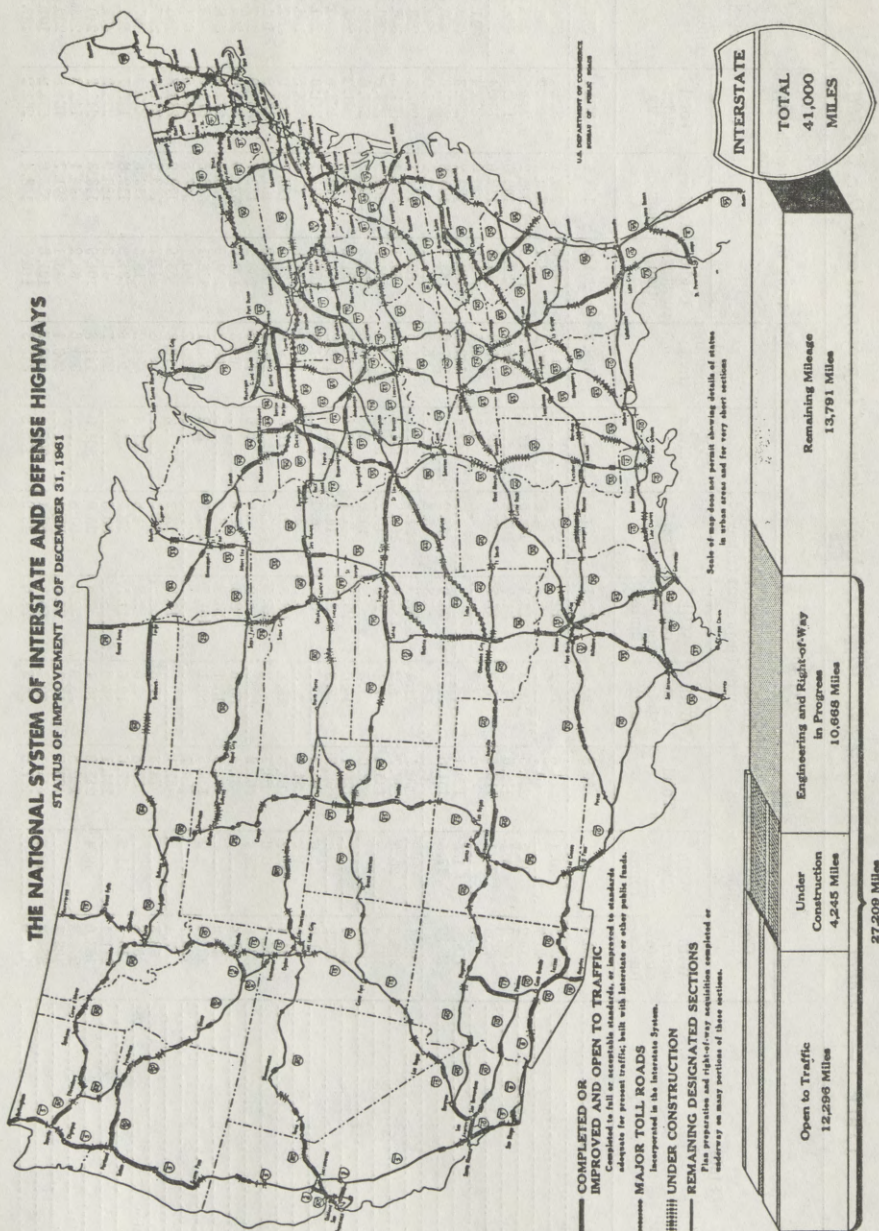


TABLE 1.—National System of Interstate and Defense Highways status of improvement as of Dec. 31, 1961

State	Open to traffic										Work in progress with inter-state funds				Remain-ing mileage	Total design-ated system mileage
	Completed to full or acceptable standards				Improved to standards ade-quate for present traffic			Toll facilities		Total open to traffic		Work in progress with inter-state funds				
	With inter-state funds		With other public funds		Total		Toll facilities		Total open to traffic		Under construction		Engineering or right-of-way			
	With inter-state funds	With other public funds	Total	With inter-state funds	With other public funds	Total	Toll facilities	Total open to traffic	Under construction	Engineering or right-of-way	Total under-way					
Alabama.....	86.8		86.8	19.4	32.1	51.5		138.3	204.0	148.1	352.1	384.4	874.8			
Alaska.....																
Arizona.....	224.5	0.1	224.6	79.2	210.5	289.7	514.3	514.3	43.0	269.1	312.1	334.6	1,161.0			
Arkansas.....	40.7		40.7		2.8	2.8	43.5	43.5	88.1	370.1	458.2	16.1	517.8			
California.....	207.2	24.3	231.5	190.2	248.3	408.5	14.0	654.0	134.3	1,096.2	1,230.5	293.0	2,177.5			
Colorado.....	167.9	4.1	172.0	71.5	84.9	106.4		278.4	39.4	142.0	181.4	488.2	945.0			
Connecticut.....	45.4	71.1	116.5	5.3	17.7	23.0	19.5	159.0	14.8	119.6	134.4		293.4			
Delaware.....	.6			.6		.6	2.3	3.5	4.5	20.9	25.4	11.6	40.5			
Florida.....	118.6	1.5	120.1				42.4	162.5	159.1	129.2	288.3	669.2	1,120.0			
Georgia.....	134.3	17.5	151.8					227.0	163.2	103.8	267.0	609.6	1,103.6			
Hawaii.....								5.8		2.0	2.0	40.3	48.1			
Idaho.....	90.1		90.1	44.1	37.3	81.4		171.5	62.6	144.7	207.3	233.3	612.1			
Illinois.....	229.2		249.7	25.2	133.6	158.8	151.3	559.8	90.1	532.4	631.5	395.2	1,586.5			
Indiana.....	135.4	20.5	155.9	7.4	2.8	10.2	156.9	302.5	65.7	461.9	527.6	290.8	1,120.9			
Iowa.....	203.0		203.0	21.5		21.5	3.8	228.3	51.8	225.2	277.0	203.4	708.7			
Kansas.....	196.1		196.1	16.0		16.0	187.1	424.3	21.6	72.6	94.2	282.6	801.1			
Kentucky.....	90.2		90.2	7.9		7.9	39.6	146.2	74.1	119.7	193.8	356.1	696.1			
Louisiana.....	41.6		45.2		8.5	16.4		51.5	139.9	201.1	341.0	230.1	682.6			
Maine.....	53.0		54.2		3.0	3.0	60.3	117.5	14.9	13.6	28.5	166.0	312.0			
Maryland.....	34.1		32.2	23.8	28.5	52.3	11.3	129.9	27.2	128.7	155.9	67.9	353.7			
Massachusetts.....	56.7		6.0	.2	27.5	27.7	125.8	216.2	35.0	101.9	136.9	109.3	462.4			
Michigan.....	334.8	126.4	461.2		5.0	5.0	5.0	471.2	208.2	152.7	360.9	247.2	1,079.3			
Minnesota.....	37.4		37.4	55.6	2.3	57.9		69.8	109.0	327.0	436.0	366.8	898.1			
Mississippi.....	42.9		42.9	13.1	13.8	26.9	3.2	385.1	209.5	70.4	279.9	328.5	678.2			
Missouri.....	137.4	1.9	139.3	81.1	161.5	242.6		129.7	128.1	546.5	674.6	45.0	1,104.7			
Montana.....	129.7		129.7					385.1	100.1	347.5	447.6	603.0	1,180.3			
Nebraska.....	57.1		57.1	17.5	12.9	12.9	.3	70.3	53.9	179.9	233.8	186.7	490.8			
Nevada.....	78.3		78.3	2.0	2.8	4.8		95.8	47.7	163.3	211.0	227.2	534.0			
New Hampshire.....	57.8		57.8	10.6	14.5	25.1	21.6	84.2	18.6	13.8	32.4	97.2	213.8			
New Jersey.....	15.7	11.9	27.6	86.6	7.8	86.6	54.1	106.8	34.9	112.8	147.7	121.4	375.9			
New Mexico.....	211.1		211.1	16.1	23.9	39.0	504.9	297.7	41.3	186.9	228.2	479.3	1,005.2			
New York.....	163.6	49.4	213.0	38.8	52.0	90.8	741.8	741.8	101.9	143.3	245.2	240.2	1,227.2			
North Carolina.....	240.8		240.8	14.1	25.3	39.4	331.6	331.6	96.2	46.1	142.3	295.0	768.9			
North Dakota.....	163.7		163.7	20.4	66.7	87.1	207.5	203.1	43.1	91.7	134.8	230.0	567.9			
Ohio.....	324.3	19.8	344.1	25.3	24.6	49.9	175.8	638.7	121.3	148.4	265.2	191.7	1,485.6			
Oklahoma.....	117.6		117.6				207.5	343.3	116.8	133.9	133.9	187.1	795.6			

Oregon.....	222.6	25.1	247.7	27.5	183.8	211.3	459.8	87.7	11.7	99.4	172.1	731.3
Pennsylvania.....	238.1	64.5	292.6	20.4	1.7	1.7	636.4	114.6	413.7	528.3	390.8	1,575.5
Rhode Island.....	10.7	9.7	20.4	.2	7.9	1.3	20.7	1.3	20.6	21.9	28.3	70.9
South Carolina.....	216.5	---	216.5	20.5	---	28.3	244.9	89.7	67.6	157.3	276.7	678.9
South Dakota.....	111.9	---	111.9	56.2	---	56.2	168.1	77.7	176.5	254.2	256.5	678.8
Tennessee.....	67.3	1.7	69.0	9.1	---	0.7	78.1	188.6	303.8	492.4	477.1	1,047.6
Texas.....	670.8	52.4	723.2	99.2	135.7	234.9	937.9	244.0	104.8	1,348.8	687.3	3,024.0
Utah.....	57.1	---	57.1	16.1	2.1	18.2	75.3	63.8	254.0	317.8	541.8	934.9
Vermont.....	41.5	---	41.5	---	---	---	41.5	21.4	89.8	111.2	171.2	323.9
Virginia.....	63.0	5.4	68.4	47.4	37.6	85.0	190.7	177.8	135.7	313.5	548.9	1,033.1
Washington.....	70.6	8.3	78.9	140.2	54.3	194.5	273.7	50.3	268.6	318.9	133.0	725.6
West Virginia.....	29.5	---	29.5	---	---	---	115.4	35.5	60.2	95.7	311.6	522.7
Wisconsin.....	164.5	---	164.5	---	39.5	30.0	204.0	43.6	204.9	248.5	---	452.5
Wyoming.....	140.7	---	140.7	38.4	---	38.4	170.1	174.0	81.7	255.7	481.0	915.8
District of Columbia.....	1.8	.1	1.9	---	-.5	.5	2.4	2.4	7.4	9.8	16.0	28.2
Total.....	6,374.2	548.7	6,922.9	1,348.3	1,722.3	3,070.6	12,296.4	4,245.3	10,668.0	14,913.3	13,580.3	140,790.0

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 2.—*Interstate System authorizations through Dec. 31, 1961*

[Millions of dollars]

Item	Total cost of work authorized				
	Actual through Dec. 31, 1961		Estimated remaining work as of Dec. 31, 1961		Total Interstate System costs per 1961 estimate
	Amount	Percent of total item costs	Amount	Percent of total item costs	
Preliminary engineering.....	\$587	54	\$492	46	\$1,079
Right-of-way.....	2,980	48	3,295	52	6,275
Construction.....	8,729	27	23,167	73	31,896
Subtotal.....	12,296	31	26,954	69	39,250
State highway planning and research.....					574
Public roads administration and research.....					357
Contingencies.....					819
Total.....					41,000

TABLE 3.—National System of Interstate and Defense Highways—Active and completed projects financed with Federal-aid interstate funds as of Dec. 31, 1961
[Millions of dollars]

State	Projects underway or authorized				Projects completed July 1, 1956, to date			
	Construction		Engineering and right-of-way		Construction		Engineering and right-of-way	
	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds	Total cost	Federal funds
Alabama.....	\$79.5	\$71.4	\$37.5	\$31.8	\$82.6	\$73.2	\$6.2	\$5.5
Alaska.....	40.5	36.9	34.6	23.3	64.6	59.6	4.4	4.0
Arizona.....	59.0	53.1	418.9	212.0	38.2	35.6	3.0	3.0
Arkansas.....	355.3	308.2	12.5	7.7	337.6	290.0	196.9	145.1
California.....	10.7	9.7	40.9	37.3	83.8	72.8	15.1	13.0
Colorado.....	46.4	40.9	64.4	57.3	64.0	55.2	5.1	4.4
Connecticut.....	14.5	13.0	20.0	16.9	7.2	6.6	1.0	0.8
Delaware.....	32.8	29.5	28.9	26.0	128.9	112.5	71.4	63.5
Florida.....	128.7	115.7	57.6	51.7	63.5	53.4	13.1	11.4
Georgia.....	25.4	23.5	4.8	6.4	40.8	36.9	8.8	7.5
Hawaii.....	226.5	198.1	112.2	99.6	267.3	222.9	68.6	59.6
Idaho.....	64.8	58.3	45.6	41.1	123.4	106.5	11.3	10.1
Illinois.....	35.7	32.3	16.2	14.6	112.3	98.9	21.0	18.3
Iowa.....	16.9	15.1	14.2	12.8	100.8	88.0	11.4	10.3
Kansas.....	68.3	61.3	47.1	41.4	102.1	90.4	18.5	15.3
Kentucky.....	116.5	104.7	108.1	68.9	102.1	90.4	4.0	3.5
Louisiana.....	15.0	13.4	1.5	1.3	44.0	38.1	6.6	5.8
Maine.....	62.3	54.0	26.3	23.5	73.9	63.5	4.7	3.9
Maryland.....	93.1	82.8	44.0	39.5	103.7	89.6	28.8	25.8
Massachusetts.....	147.1	132.2	80.4	68.2	228.8	194.6	84.5	72.7
Michigan.....	65.2	58.3	39.3	37.9	70.0	61.9	6.1	5.3
Minnesota.....	61.1	55.2	16.9	14.5	67.1	58.6	4.3	3.4
Mississippi.....	115.7	104.3	31.0	27.8	137.8	120.6	49.0	43.9
Missouri.....	44.1	40.4	19.7	18.0	31.7	28.3	11.7	10.5
Montana.....	18.4	14.1	31.8	26.1	29.0	25.0	4.7	4.0
Nebraska.....	14.8	14.1	7.5	6.3	7.2	40.3	2.6	2.2
New Hampshire.....	19.3	17.3	138.2	87.3	68.0	60.4	4.3	3.6
New Jersey.....	130.2	116.0	17.0	15.8	84.3	77.9	35.0	32.8
New Mexico.....	388.2	288.5	184.2	163.7	347.2	279.9	88.8	77.0
New York.....	36.7	32.5	9.3	8.4	103.1	88.8	21.9	19.2
North Carolina.....	5.2	4.7	4.6	4.1	66.9	59.9	2.8	2.5
North Dakota.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Ohio.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Oklahoma.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Oregon.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Pennsylvania.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Rhode Island.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
South Carolina.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
South Dakota.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Tennessee.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Texas.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Utah.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Vermont.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Virginia.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Washington.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
West Virginia.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Wisconsin.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Wyoming.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8
Zoo.....	224.5	196.1	56.0	50.4	380.7	332.2	188.4	168.8

TABLE 4.—Federal-aid primary and secondary highway systems—Active and completed projects financed with primary, secondary, and urban funds

State	Projects underway or authorized						Projects completed July 1, 1956 to date					
	Construction			Engineering and right-of-way			Construction			Engineering and right-of-way		
	Total cost	Federal funds	Miles	Total cost	Federal funds	Total	Total cost	Federal funds	Miles	Total cost	Federal funds	Total
Alabama.....	\$50.7	\$24.3	771.0	\$10.9	\$5.4	\$29.7	\$184.3	\$95.2	4,238.0	\$13.0	\$6.4	\$197.3
Alaska.....	32.6	30.0	159.2	12.3	10.9	40.9	40.3	34.9	906.6	2.2	2.1	42.5
Arizona.....	24.8	18.2	235.9	2.4	1.8	20.0	73.2	54.5	7,902.8	2.0	1.5	75.2
Arkansas.....	52.0	26.8	749.0	3.2	1.6	28.4	106.4	54.5	2,644.8	10.5	5.1	116.9
California.....	211.5	116.1	244.3	1.3	0.8	212.8	445.6	227.6	1,818.6	3.1	1.6	448.7
Colorado.....	19.7	11.5	192.8	5.2	3.0	14.5	135.4	71.9	1,846.5	12.7	6.6	148.1
Connecticut.....	19.2	8.6	24.7	9.4	4.7	13.3	93.1	46.5	1,160.5	2.2	1.1	95.3
Delaware.....	4.0	2.0	27.7	1.0	.5	2.5	38.4	18.4	287.1	1.7	.8	38.9
Florida.....	31.1	15.7	335.9	.4	.2	15.9	169.5	82.5	1,769.8	1.7	.8	171.2
Georgia.....	79.7	39.8	834.1	20.7	10.4	50.2	193.8	97.1	3,033.9	8.6	4.2	202.4
Hawaii.....	7.1	3.4	18.0	3.0	1.5	10.1	25.2	12.7	60.6	4.0	2.0	29.2
Idaho.....	16.8	10.5	261.5	4.1	2.6	13.1	68.4	42.9	1,347.1	5.8	3.1	74.2
Illinois.....	119.6	62.3	677.9	17.6	8.8	137.2	410.2	214.7	4,347.1	28.7	13.8	419.0
Indiana.....	61.4	31.9	146.3	21.3	10.7	82.7	224.3	117.4	2,207.9	6.6	3.3	233.0
Iowa.....	46.3	23.6	111.1	3.4	1.7	49.7	195.1	103.3	5,956.3	17.1	8.6	201.7
Kansas.....	35.0	17.6	1,091.0	2.7	1.3	37.7	180.0	91.4	7,216.2	26.5	13.1	197.1
Kentucky.....	50.9	25.5	309.2	10.4	5.2	61.3	136.8	71.0	1,570.4	6.2	3.1	84.1
Louisiana.....	65.1	33.0	491.7	9.4	4.7	37.7	150.3	72.6	1,649.7	7.3	3.5	156.5
Maine.....	17.7	8.8	99.9	2.3	1.2	10.0	61.2	31.1	552.2	1.2	.6	87.4
Maryland.....	24.5	12.5	155.2	2.8	1.4	27.3	109.2	56.6	877.4	22.9	11.2	110.4
Massachusetts.....	81.2	40.0	83.1	15.8	7.9	97.0	142.9	71.0	204.7	13.5	6.4	185.8
Michigan.....	111.4	54.0	847.4	8.0	4.0	58.0	330.6	161.4	4,572.4	18.5	9.9	344.1
Minnesota.....	63.7	33.5	243.7	5.3	2.7	69.0	224.5	117.4	8,086.2	14.8	7.4	167.8
Mississippi.....	772.3	19.5	772.3	6.1	3.0	46.3	129.0	64.2	3,989.6	43.2	21.5	143.8
Missouri.....	31.0	975.6	31.0	27.1	13.1	44.1	228.1	73.1	6,989.6	9.7	5.6	271.3
Montana.....	32.1	19.6	565.2	4.9	2.2	22.5	116.7	72.4	2,473.4	15.9	8.0	126.4
Nebraska.....	27.1	1.2	324.0	4.3	2.2	56.0	136.3	72.4	3,716.2	4.1	2.1	80.4
Nevada.....	9.4	8.4	128.7	3.2	2.8	11.2	54.2	44.9	1,080.3	4.1	3.3	58.3
New Hampshire.....	7.3	3.7	26.9	.9	.5	8.2	46.7	23.8	250.2	1.9	1.0	48.6
New Jersey.....	45.4	22.6	94.5	23.7	11.9	69.1	120.3	60.1	251.8	7.0	3.4	127.3
New Mexico.....	13.3	8.8	118.2	2.7	1.8	16.0	97.3	62.4	1,397.0	8.8	5.4	67.8
New York.....	381.5	179.5	606.7	8.0	4.2	389.5	630.8	305.7	3,425.4	9.7	4.6	640.5
North Carolina.....	47.2	22.1	363.4	11.4	5.7	27.8	179.3	91.3	3,454.4	33.5	16.6	212.8
North Dakota.....	14.4	7.2	695.3	2.1	1.0	16.5	119.9	61.3	7,698.9	4.9	2.5	134.8
Ohio.....	186.4	102.3	428.8	3.8	1.9	190.2	282.8	149.5	1,513.8	76.0	36.7	338.8

[Millions of dollars]

TABLE 5.—*Projects financed from funds authorized by sec. 2(a) and 2(e) (D funds and L funds, respectively) of 1958 act as of Dec. 31, 1961*

State	Number of projects	Total cost	Federal funds		Miles	Number of bridges
			D fund	L fund		
Alabama.....	54	\$11,952,548	\$7,883,298	\$2,496,574	261.3	37
Alaska.....	31	8,239,043	6,178,599	381,824	127.1	6
Arizona.....	20	5,992,583	4,767,326	680,439	76.8	23
Arkansas.....	53	9,147,330	5,880,738	1,816,813	346.7	34
California.....	92	37,514,673	22,073,488	5,289,037	201.7	66
Colorado.....	23	9,562,554	6,259,199	1,576,074	195.7	5
Connecticut.....	25	6,047,904	3,733,466	1,153,428	36.4	3
Delaware.....	7	2,757,472	1,605,280	527,145	22.3	7
Florida.....	43	10,168,077	6,544,442	2,021,859	307.3	6
Georgia.....	34	12,217,061	8,045,973	2,682,009	290.7	26
Hawaii.....	5	2,849,494	1,838,235	567,910	13.2	3
Idaho.....	35	5,455,657	3,936,209	840,066	165.9	5
Illinois.....	166	27,430,184	17,803,047	4,807,689	567.6	41
Indiana.....	70	14,063,585	9,375,435	2,860,015	250.4	18
Iowa.....	108	13,557,425	8,523,047	2,633,135	401.8	29
Kansas.....	151	12,337,855	8,123,299	2,509,636	482.3	94
Kentucky.....	41	11,154,064	7,138,825	2,205,490	116.0	19
Louisiana.....	32	9,752,761	6,305,387	1,850,751	199.9	18
Maine.....	22	4,662,846	2,975,768	919,343	55.4	4
Maryland.....	8	6,775,394	4,394,431	1,357,629	24.8	14
Massachusetts.....	22	12,086,441	7,417,652	2,291,632	33.3	17
Michigan.....	132	21,948,248	13,857,433	1,96,132	375.8	23
Minnesota.....	133	15,993,590	9,544,381	393,314	497.7	54
Mississippi.....	73	10,529,823	6,374,195	18,000	296.1	72
Missouri.....	100	16,715,757	11,041,091	3,411,067	408.9	5
Montana.....	38	9,191,302	6,325,284	1,595,039	267.3	23
Nebraska.....	30	10,068,882	6,628,717	2,047,895	212.1	2
Nevada.....	11	4,261,315	3,737,178	288,487	107.3	4
New Hampshire.....	8	2,741,830	1,797,880	-----	13.5	6
New Jersey.....	23	11,399,799	7,585,212	2,286,432	39.6	10
New Mexico.....	16	6,874,697	5,129,291	1,047,522	106.8	33
New York.....	87	42,711,189	25,765,119	7,691,167	217.4	37
North Carolina.....	68	14,417,185	9,527,160	2,952,998	341.6	1
North Dakota.....	23	6,884,073	4,511,272	1,393,726	392.9	30
Ohio.....	223	24,884,453	15,876,379	4,904,896	724.0	40
Oklahoma.....	36	11,907,762	7,668,061	2,368,993	180.7	39
Oregon.....	71	8,297,985	5,898,916	1,241,197	124.9	52
Pennsylvania.....	56	29,418,065	19,217,078	5,936,982	139.1	46
Rhode Island.....	22	3,475,957	2,219,044	676,619	49.8	15
South Carolina.....	58	8,778,878	5,066,872	-----	283.5	42
South Dakota.....	70	7,066,130	4,880,326	1,017,733	402.7	227
Tennessee.....	62	12,581,929	8,295,696	2,562,897	306.3	6
Texas.....	147	38,527,230	24,334,820	7,518,072	1,027.4	19
Utah.....	17	4,770,155	3,729,777	-----	72.5	5
Vermont.....	17	2,594,867	1,656,616	511,800	22.4	4
Virginia.....	133	12,917,661	7,657,939	2,365,867	464.1	38
Washington.....	87	9,790,505	6,494,383	1,662,443	269.5	6
West Virginia.....	33	6,976,103	4,324,463	1,336,012	152.5	1
Wisconsin.....	85	15,656,578	9,098,443	2,810,900	319.6	9
Wyoming.....	9	5,153,630	3,886,714	748,548	97.0	-----
District of Columbia.....	10	3,699,324	2,368,963	731,875	6.4	-----
Puerto Rico.....	9	4,413,281	2,798,766	864,440	14.1	-----
Total.....	2,929	618,373,134	398,100,613	102,049,551	12,110.1	1,330

TABLE 6.—Approximate apportionments of Federal-aid highway funds, fiscal year 1964

[Thousands of dollars]

State	ABC				Interstate (\$2,600,000)	Total (\$3,550,000)
	Primary (\$427,500)	Secondary (\$285,000)	Urban (\$237,500)	Subtotal (\$950,000)		
Alabama.....	\$8,178	\$6,244	\$3,188	\$17,610	\$53,635	\$71,245
Alaska.....	22,696	15,233	156	38,085	-----	38,085
Arizona.....	6,337	4,111	1,773	12,221	36,407	48,628
Arkansas.....	6,087	4,847	1,292	12,226	27,138	39,364
California.....	21,862	10,154	25,672	57,688	247,918	305,606
Colorado.....	7,105	4,609	2,415	14,129	34,379	48,508
Connecticut.....	2,992	1,622	4,581	9,195	36,613	45,808
Delaware.....	2,111	1,407	544	4,062	9,654	13,716
Florida.....	7,849	4,863	6,069	19,881	53,789	73,170
Georgia.....	10,473	7,909	3,843	22,225	47,781	70,006
Hawaii.....	2,111	1,407	880	4,398	20,360	24,758
Idaho.....	4,726	3,392	501	8,619	12,170	20,789
Illinois.....	15,933	8,727	15,229	39,889	135,256	175,145
Indiana.....	9,696	7,009	5,322	22,027	64,213	86,240
Iowa.....	9,619	7,162	2,535	19,316	32,813	52,129
Kansas.....	9,561	6,676	2,327	18,564	20,103	38,667
Kentucky.....	6,944	5,888	2,368	15,200	52,890	68,090
Louisiana.....	6,353	4,570	3,712	14,635	74,894	89,529
Maine.....	3,138	2,384	805	6,327	12,247	18,574
Maryland.....	4,192	2,628	4,288	11,108	47,499	58,607
Massachusetts.....	5,382	2,380	8,184	15,946	55,561	71,507
Michigan.....	13,179	8,277	10,755	32,211	101,031	133,242
Minnesota.....	10,726	7,560	3,888	22,174	67,063	89,237
Mississippi.....	6,626	5,567	1,393	13,586	31,503	45,089
Missouri.....	11,306	7,740	5,270	24,316	66,618	90,934
Montana.....	7,821	5,426	543	13,790	24,263	38,053
Nebraska.....	7,688	5,478	1,368	14,534	15,148	29,682
Nevada.....	4,846	3,223	358	8,427	13,069	21,496
New Hampshire.....	2,111	1,407	627	4,145	11,631	15,776
New Jersey.....	5,968	2,049	10,191	18,208	67,602	85,810
New Mexico.....	6,606	4,457	1,147	12,210	25,880	38,090
New York.....	19,292	8,412	27,316	55,020	122,855	177,875
North Carolina.....	9,971	8,914	3,111	21,996	21,208	43,204
North Dakota.....	5,411	3,965	417	9,793	11,451	21,244
Ohio.....	14,660	9,138	13,402	37,200	176,952	214,152
Oklahoma.....	8,523	5,932	2,616	17,071	31,195	48,266
Oregon.....	6,546	4,575	1,982	13,103	45,034	58,137
Pennsylvania.....	15,690	10,062	15,094	40,846	115,974	156,820
Rhode Island.....	2,111	1,407	1,426	4,944	9,551	14,495
South Carolina.....	5,407	4,724	1,699	11,830	22,389	34,219
South Dakota.....	5,952	4,306	431	10,689	17,023	27,712
Tennessee.....	8,277	6,536	3,378	18,191	65,343	83,534
Texas.....	25,851	16,337	13,180	55,368	117,309	172,677
Utah.....	4,635	3,007	1,237	8,879	37,537	46,416
Vermont.....	2,111	1,407	330	3,848	17,895	21,743
Virginia.....	8,031	6,269	4,112	18,412	78,797	97,209
Washington.....	6,780	4,582	3,548	14,910	54,046	68,956
West Virginia.....	4,163	3,742	1,248	9,153	39,026	48,179
Wisconsin.....	9,485	6,691	4,589	20,765	22,928	43,693
Wyoming.....	4,816	3,277	280	8,373	24,879	33,252
District of Columbia.....	2,111	1,407	1,489	5,007	37,280	42,287
Puerto Rico.....	2,111	2,342	1,822	6,275	-----	6,275

TABLE 7.—Program for completion of Interstate System

[Millions of dollars]

Fiscal year	Apportionments ¹			Disburse- ments ²	Reve- nues ²	Highway trust fund balance ²
	Date made	Interstate	ABC and other			
Balance ²	June 30, 1956	315	1,665	1,980		
1957.....	June 29, 1956	1,000	129	1,129	966	516
1958.....	Aug. 1, 1956	1,700	859	2,559	1,511	1,049
1959.....	Aug. 1, 1957	2,200	1,381	3,581	2,613	523
1960.....	Aug. 1, 1958	2,500	906	3,406	2,940	119
1961.....	Oct. 8, 1959	1,800	883	2,683	2,619	299
1962.....	Aug. 1, 1960	2,200	884	3,084	3,026	274
1963.....	Aug. 17, 1961	2,400	930	3,330	3,252	284
1964.....	July 1, 1962	2,600	955	3,555	3,379	262
1965.....	July 1, 1963	2,700	955	3,655	3,475	241
1966.....	July 1, 1964	2,800	980	3,780	3,577	214
1967.....	July 1, 1965	2,900	980	3,880	3,688	177
1968.....	July 1, 1966	3,000	1,005	4,005	3,796	135
1969.....	July 1, 1967	3,000	1,005	4,005	3,838	158
1970.....	July 1, 1968	3,000	1,005	4,005	3,878	249
1971.....	July 1, 1969	2,885	1,005	3,890	3,971	356
1972.....	July 1, 1970		1,005	1,005	4,070	477
1973.....				1,864	1,563	176
Total.....		37,000	16,532	53,532	52,463	52,639

¹ Actual for fiscal years through 1963; estimated, 1964-72.² Actual for fiscal years through 1961; estimated, 1962-73.³ Unpaid balance of prior authorizations.

TABLE 8.—Estimated Interstate System costs

[Millions of dollars]

Item	Costs incurred prior to 1961 estimate	Remaining costs Jan. 1, 1960			Total estimated cost	
		1961 estimate	Ratio, actual to esti- mated costs (percent)	Adjusted estimate of re- maining costs	1961 estimate (col. 2 plus col. 3)	Adjusted estimate (col. 2 plus col. 5)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Project examination.....	\$389	\$690	98.6	\$680	\$1,079	\$1,069
Rights-of-way.....	1,744	4,531	103.3	4,681	6,275	6,425
Construction.....	5,081	26,815	98.9	26,520	31,896	31,601
Subtotal.....	7,214	32,036		31,881	39,250	39,095
State highway planning and research.....					574	574
Public roads administration and research.....					357	357
Contingencies.....					819	974
Total.....					41,000	41,000

FIGURE 1
STATUS OF INTERSTATE SYSTEM IMPROVEMENT
AS OF DECEMBER 31, 1961

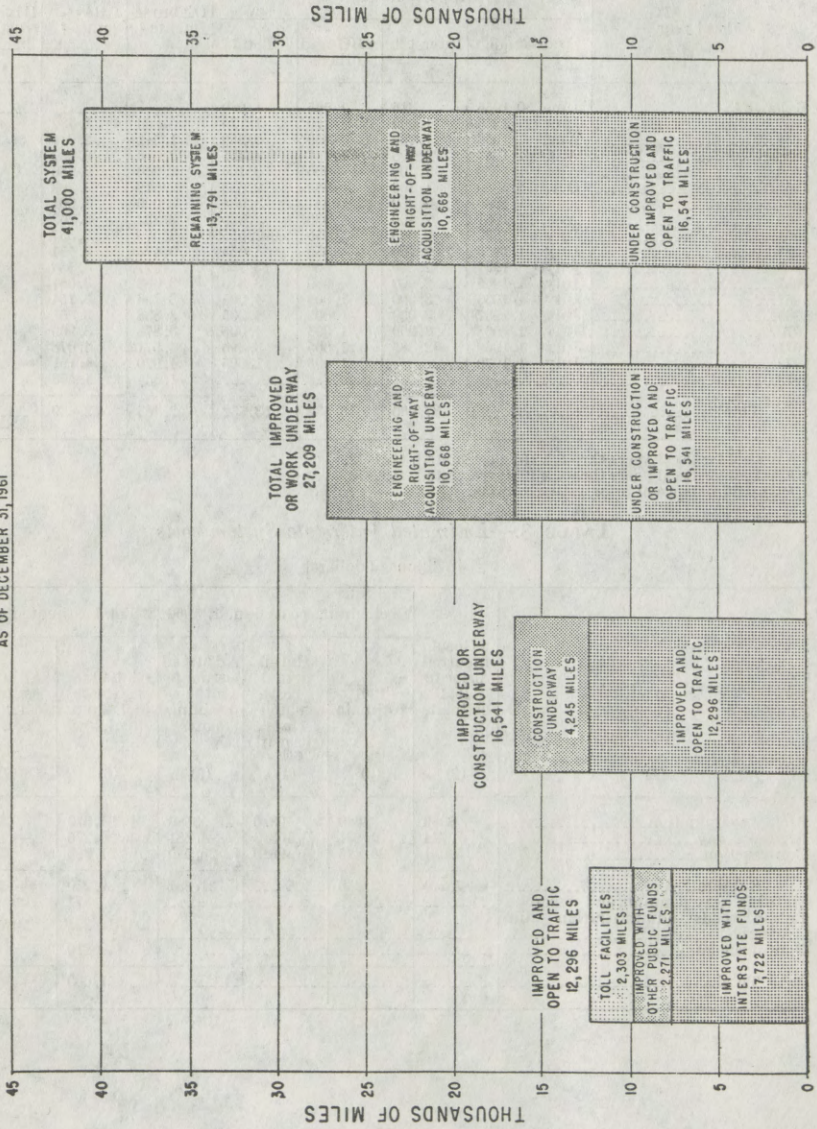
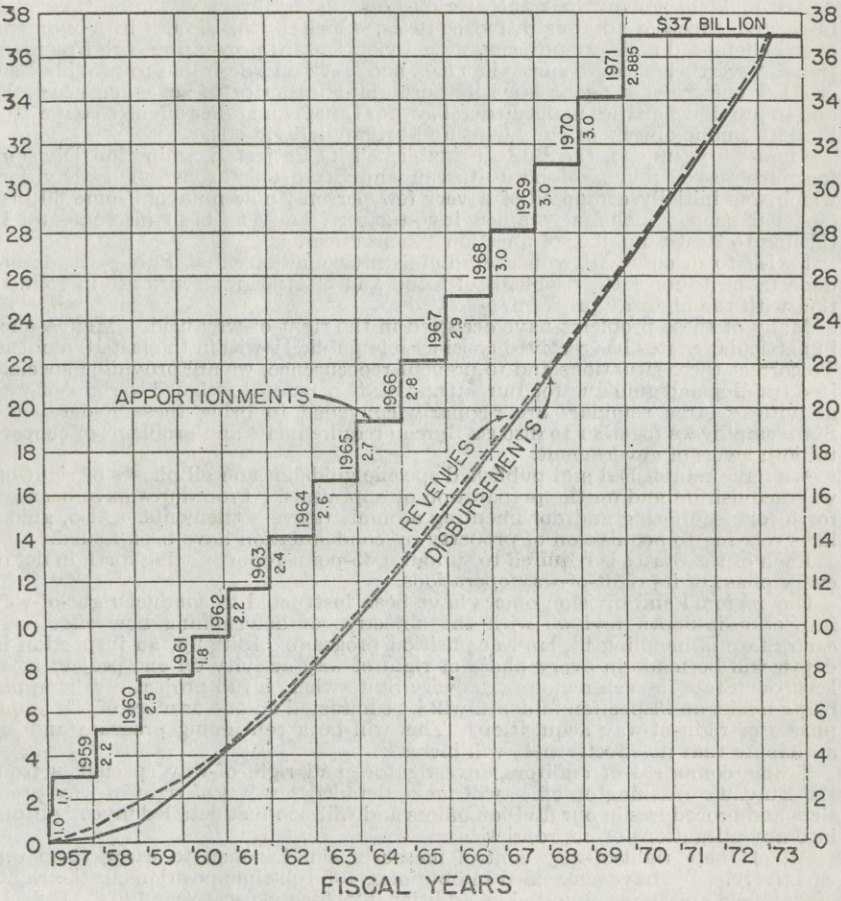


FIGURE 2
COMPLETION OF INTERSTATE SYSTEM IN 1972
PURSUANT TO 1961 ACT
INTERSTATE PROGRAM

BILLIONS OF DOLLARS



ADMINISTRATIVE CONTROLS EXERCISED BY PUBLIC ROADS

As this committee is well aware, the initiation in 1956 of a program for the completion of the Interstate System with the Federal Government contributing 90 percent of the cost has materially increased the Federal interest in this program and altered somewhat our perspective on its administration. The highway program should retain, however, its basic concept as a Federal-State cooperative program.

In cooperation with the Department of Justice, the Bureau of Public Roads has prepared proposed legislation recently submitted to the Congress by the Department of Commerce and introduced as H.R. 10822 which recognizes this increased Federal interest. Its purpose is to assist in meeting the problems of the irregularities which have occurred in the highway program. These irregularities involved only a very small percentage of total Federal-aid projects; however, we do not and will not overlook their seriousness. The Bureau of Public Roads has instituted effective administrative controls, which I will discuss in a moment, over Federal-aid highway projects, with a view toward preventing such irregularities. Nevertheless, we believe that it is necessary and desirable to provide Federal law enforcement agencies with appropriate authority to act when necessary and to provide penalties under Federal law for frauds and other offenses committed by both public officers or employees and private individuals.

Almost 5 years ago, the Bureau established its Project Examination Division, for purposes of review of both Bureau and State operations. This Division, which was initially composed of a very few persons, now numbers some 30 professional people, including trained investigators, and has been instrumental in turning to light a number of questionable practices.

I wish to discuss with you the administrative actions that Public Roads has undertaken to meet the problems of fraud and of other improprieties in connection with the highway program.

Many of these problems have occurred in the right-of-way field. Malfeasance in particular States has received considerable publicity within the last 18 months. To correct these situations and to prevent recurrence, we are providing specialized training and guidance for Bureau and State personnel assigned to right-of-way activities. Area seminars are regularly convened to bring these Federal and State employees together to discuss Bureau requirements and problems of concern to both levels of government.

We have established and published specific guidelines on all phases of right-of-way acquisition and on the preparation of appraisals. Procedures have been set forth for negotiating and documenting administrative settlements. Also, guidelines relating to acquisition of property by condemnation have been issued.

Each of the States is required to submit a 35-point report setting forth in detail every phase of its right-of-way operations.

Our regional and division offices have been instructed to conduct right-of-way inspection-in-depth reviews with the objective of determining how effectively each State is handling its land acquisition program. Initially, an inspection in depth will be made in every phase of right-of-way activity on one project in at least one State in each region. In every State where a full project review is not being made, an inspection in depth will be conducted on one or more of the major phases of right-of-way acquisition. This will be a continuing program and we anticipate that its effectiveness will increase.

Teams composed of auditors, investigators and right-of-way specialists from the Bureau's Washington office will make detailed reviews of right-of-way practices and procedures in our division offices and will conduct detailed investigations into any allegations of improprieties.

All of these right-of-way control measures call for men to carry them out effectively. We have succeeded in obtaining 138 full-time positions in the right-of-way field and have requested an additional 29 for the fiscal year 1963. By way of contrast, in 1956, when the accelerated interstate program was initiated, the Bureau had only a few full-time right-of-way employees and these employees were all in our Washington office. The benefits which will accrue by reason of full staff complement in the right-of-way field will be material. Our experience to date under the new procedures I have mentioned demonstrates this beyond question.

Another area of highway construction activity where improprieties have occurred is in the use of materials—inferior materials and inadequate testing and sampling procedures. The details of questionable practices in certain States have already been made known to many on the committee, and to the public as

well. We assure you that every effort is being extended to prevent future occurrences of similar nature.

Inspection and testing procedures have been the subject of continuous review by this Bureau, particularly over the last 2 years. Through the institution of new policies and procedures we feel quite positive that every affected Federal and State employee is aware of the attention to be given to the matter of testing the quantity and quality of materials incorporated into Federal-aid projects.

Intensified procedures concerning the inspection of construction projects were put into effect with the issuance of instructional memorandum 20-5-60 on April 29, 1960. This covered the inspection of material test reports and the sampling of materials in place on projects as well as final inspection procedures.

This memorandum was amplified in January 1961 with the issuance of instructional memorandum 20-5-60(1). Pertinent provisions of this and the previous instructional memorandum were incorporated in policy and procedure memorandum 20-6.2 issued January 26, 1962. This latest issuance sets forth explicitly the requirements of the Bureau relating to sampling and testing of materials and construction in connection with the inspection of Federal and Federal-aid highway construction projects.

Its objective is set forth as follows: "The objective of the sampling and testing performed on highway construction projects is to ascertain whether materials used or proposed for use and the construction work accomplished or in progress conform with plans and specification requirements and to alert the contractor and supervising engineers to the need for corrective action in case of nonconformity."

Unless all necessary materials test reports and other reports are available to the Bureau's area engineers, payment on progress vouchers may be deferred until the situation has been corrected.

For each highway project, the State is required to certify as to the conformance of materials incorporated in the work as shown by the results of job control sampling and testing.

We believe that these procedures will be an effective administrative tool. We will continue, however, to exercise vigilance over this phase of highway construction, recognizing that future developments may bring the need for further reappraisal of sampling and testing requirements and practices.

Notwithstanding the general high caliber of engineer and contractor personnel in charge of and performing the engineering and construction work, the possibility always exists that someone who is incompetent, careless, or lacking in integrity may become involved in the control or performance of the work and that some deficiencies in the construction may result. Because of this possibility, the Bureau has deemed it advisable to establish a system, designed to verify that adequate controls are being exercised over all phases of the construction and to disclose and eliminate any weaknesses or malpractices that may occasionally exist.

It would most certainly not be in the public interest nor desirable from the standpoint of Federal-State relations for the Bureau to attempt to set up an organization and system whereby Bureau engineers would be constantly at the site of each construction project to thoroughly inspect every detail of the operations either continuously or at frequent intervals. Even if such intensive inspection were desirable, it would not be possible within reasonable manpower and time limitations. Instead, this more realistic program has been instituted by the Bureau of making inspections in depth on a spot check basis.

Under this program, the Bureau division engineer from time to time designates a number of representative projects upon which comprehensive, thorough, complete, and detailed inspections and analyses of selected phases of the construction and engineering are to be made. The primary purpose of such inspections in depth and analyses of the findings is to provide a continuing basis for evaluating the accuracy, adequacy, and effectiveness of procedures, methods, controls, and operations used by the contractor and the engineer to assure performance of high quality construction, accurate determination of quantities upon which payment is to be made, and correct payment in accordance with the contract provisions. The findings on such inspections will disclose any need for better controls, better supervision, and improvements in specifications and procedures on these particular projects or generally on all projects. If any such need is found, appropriate remedial action is and will be immediately initiated.

The inspection-in-depth program has not been instituted with the idea that the procedures, methods, controls, and operations involved in the direction and supervision of highway construction are generally weak, ineffective, or improper. Instead, it is believed that the opposite is true and that the inspections in depth

will ordinarily serve primarily to verify that such is the case. The principal purpose of inspection in depth is to provide documentation based on thorough investigation that the administration, control, and supervision of the construction work are adequate and proper to assure high quality results in all respects. This inspection-in-depth program supplements rather than supersedes the longstanding program of inspecting each and every active project less thoroughly but more frequently, usually at least once each month. The supplementary inspection-in-depth procedures have been in operation for approximately a year and have proved to be quite satisfactory to accomplish their intended purpose.

I want to make it abundantly clear that we will continue: To strengthen our procedures when our examination thereof indicates its need; to further train our personnel; and to seek reasonable increases in the number of our personnel in certain areas, as right-of-way, so that irregularity in all phases of the highway program will be at an absolute minimum. We would like to eliminate it completely. In this connection, the hearings conducted by the special subcommittee headed by Congressman Blatnik have been particularly beneficial. State highway officials, the contracting industry, and the general public are acutely aware that the highway program is big business and one in which the Congress, the Department of Commerce, and the Bureau of Public Roads will not tolerate the improper expenditure of public funds.

A few words on the general training activities of the Bureau would now be appropriate.

In order to promote the application of advanced techniques in highway engineering and administration, and to improve the administration of the Bureau of Public Roads, the Bureau has for many years conducted an extensive training program.

The Bureau's program of training emphasizes the professional development of its highway engineers, notably in keeping with recent developments in highway engineering technology. Most of this training is conducted by Public Roads employees, although in recent years the Bureau has provided an increasing amount of outservice training when it can be procured more economically from non-Federal facilities. Public Roads also provides a moderate amount of training for State highway department employees. In the past 3 years, some 20 of our inservice training conferences have been attended by State highway people. Some training has also been given employees of other Federal agencies of highway officials of other countries.

Public Roads largest single continuing training activity is its 3-year highway engineer training program. Currently 75 engineering graduates enter this program annually. The capabilities of Public Roads engineering staff clearly indicate the effectiveness of this program. Recently a 2-year training program was established for college graduates in nonengineering fields.

Specialized training courses have been provided by and for Public Roads employees in aerial surveys, appraising, bridge engineering, highway capacity, highway design, highway planning, hydraulics, materials training, supervisory training, personal development, and many other subjects. Courses have varied from a few hours to 5 weeks in duration.

Public Roads training activities for any fiscal year are outlined and necessary funds allocated prior to the beginning of each fiscal year. Field offices and headquarters units submit requests and recommendations to our Training Branch where the individual requests are grouped and courses programmed. Training by other Federal agencies and outservice training are also approved at this time, in the event the desired training is not available in Public Roads.

In the Bureau of Public Roads, training is regarded as a requisite to more effective operations. Efficient administration of the national highway program depends on the most effective utilization of many thousands of individual employees.

BIDDING ON FEDERAL-AID CONTRACTS

During the 5½-year period from the enactment of the 1956 Federal-Aid Highway Act on June 29, 1956, to the end of the 1961 calendar year, 42,825 contracts totaling \$15.4 billion in amount have been awarded for the construction of Federal-aid highway projects. Of these, 6,584, with a value of \$7.3 billion were financed with interstate highway funds and State matching funds. These contracts ranged in size from about \$5,000 to over \$15 million. The typical distribution of contracts through the various size ranges is shown in table 9 for the 6,653 contracts awarded in 1961.

TABLE 9.—*Distribution by size ranges of summary by size of contract awarded during calendar year 1961, all Federal-aid highway construction contracts*

Contract size group	Total number of contracts	Percentage of total contracts	Total amount of low bids	Percentage of total value
0 to \$24,999.....	927	13.93	\$11,695,900	0.36
\$25,000 to \$49,999.....	810	12.18	29,636,800	.92
\$50,000 to \$99,999.....	1,057	15.89	78,205,100	2.43
\$100,000 to \$249,999.....	1,473	22.14	240,386,800	7.47
\$250,000 to \$499,999.....	881	13.24	309,519,500	9.62
\$500,000 to \$999,999.....	667	10.03	468,568,800	14.57
\$1,000,000 to \$1,999,999.....	441	6.63	620,556,400	19.29
\$2,000,000 to \$2,999,999.....	188	2.82	459,549,900	14.29
\$3,000,000 to \$3,999,999.....	98	1.47	341,248,400	10.61
\$4,000,000 to \$4,999,999.....	56	.84	249,657,500	7.76
\$5,000,000 to \$9,999,999.....	46	.69	295,669,300	9.19
\$10,000,000 to \$14,999,999.....	8	.12	91,703,500	2.85
Over \$15,000,000.....	1	.02	20,699,200	.64
Total.....	6,653	100.00	3,217,097,100	100.00

All of the 42,825 contracts awarded during the 5½-year period were awarded on the basis of competitive bidding as required by section 112 of title 23. This section requires that all Federal-aid highway construction be performed by contract awarded by competitive bidding unless the Secretary affirmatively finds that because of special circumstances relating to the individual project, some other method is in the public interest. This Federal requirement does not apply to projects constructed under the secondary road plan authorized by section 117 of title 23, United States Code. Nevertheless, the States voluntarily follow the same competitive bidding and award procedures on practically all projects under the secondary road plan. Historically, only about 1 percent of all Federal-aid highway construction is performed by other methods and this 1 percent is concentrated in only a few States. It is limited almost exclusively to projects financed with secondary funds and is nearly all performed under county supervision with county forces.

A total of 38,466 bids were received from contracting organizations for the 6,653 contracts awarded during calendar year 1961. This is an average of 5.8 bids per contract. The 6,653 contracts were awarded to approximately 3,750 different contractors. There are at present approximately 10,000 contracting organizations actively engaging in bidding on Federal-aid highway construction contracts. Such lively competition in bidding assures that contract prices will not be excessive. In fact, the total of all low bids, except for Federal-aid secondary projects, received from 1957 to 1961 is 10 percent less than the total of the engineers' estimated costs for the same projects.

Section 304 of said title 23 imposes a definite responsibility upon the Secretary of Commerce to make certain that the smaller contractors are afforded ample opportunities to bid upon and be awarded contracts for Federal-aid highway construction. This does not mean, of course, that all contracts must necessarily be limited to the sizes that the small contractors can handle. In the interest of economy and effectiveness in construction operations, and also to utilize the potential capacity of large-scale contractors, it is desirable to program a reasonable number of large projects. The construction of the Interstate System is particularly adaptable to large contracts because of the greater quantities involved per mile and because of the desirability of rapidly and simultaneously completing the grading, paving, and structures on long, continuous sections of routes. Therefore, a substantial proportion of the work on the Interstate System is let in relatively large contracts. Although the smaller contractors may not be able to individually bid on these larger contracts, there is nothing to prevent two or more of them from temporarily combining their organizations and resources and bidding on a joint venture basis. It will also be possible for them to participate through the medium of subcontracting.

Furthermore, the construction work financed under the Federal-aid primary, secondary, and urban programs normally consists of small- and medium-size projects well distributed throughout each State.

A survey made by the Bureau of Public Roads in 1961 shows that approximately 88 percent of the contractors engaged in highway construction are in the small business classification, according to a definition supplied by the Small Business

Administration. The survey also clearly indicates that the preponderance of all Federal-aid highway construction contracts are awarded to small business contractors. The survey results for the 1961 calendar year are given in the following table:

Actual work covered by contractors making returns

Fiscal year 1961 (all Federal-aid systems): ¹

Total number of contracts.....	4, 423
Total number of contracts by small business.....	3, 620
Total number of contracts by big business.....	803
Percent of contracts by small business.....	82
Percent of contracts by big business.....	18
Total value of contracts.....	\$2, 341, 284, 700
Total value of contracts by small business.....	\$1, 253, 701, 400
Total value of contracts by big business.....	\$1, 087, 583, 300
Percent of value by small business.....	54
Percent of value by big business.....	46

Interstate program, fiscal year 1961: ²

Total number of contracts.....	1, 034
Total number of contracts by small business.....	682
Total number of contracts by big business.....	352
Percent of contracts by small business.....	66
Percent of contracts by big business.....	34
Total value of contracts.....	\$1, 298, 301, 700
Total value of contracts by small business.....	\$552, 825, 100
Total value of contracts by big business.....	\$745, 476, 600
Percent of value by small business.....	43
Percent of value by big business.....	57

Primary (except interstate) program, fiscal year 1961: ³

Total number of contracts.....	1, 315
Total number of contracts by small business.....	1, 014
Total number of contracts by big business.....	301
Percent of contracts by small business.....	77
Percent of contracts by big business.....	23
Total value of contracts.....	\$775, 263, 100
Total value of contracts by small business.....	\$471, 826, 700
Total value of contracts by big business.....	\$303, 436, 400
Percent of value by small business.....	61
Percent of value by big business.....	39

Secondary program, fiscal year 1961: ⁴

Total number of secondary contracts.....	2, 074
Total number of contracts by small business.....	1, 924
Total number of contracts by big business.....	150
Percent of contracts by small business.....	93
Percent of contracts by big business.....	7
Total value of secondary contracts.....	\$267, 719, 900
Total value of contracts by small business.....	\$229, 049, 600
Total value of contracts by big business.....	\$38, 670, 300
Percent of value by small business.....	86
Percent of value by big business.....	14

¹ Represents 75 percent of total value of Federal-aid contracts awarded in 1961 fiscal year.

² Represents 76 percent of total value of Federal-aid interstate contracts awarded by 1961 fiscal year.

³ Represents 75 percent of total value of Federal-aid primary (except interstate) contracts awarded in 1961 fiscal year.

⁴ Represents 71 percent of total value of Federal-aid secondary contracts awarded in 1961 fiscal year.

It is evident from the above tabulations that Federal-aid contracts are awarded in size ranges suitable for both small and big business participation in all of the systems' programs and that provision is thus made for a balanced program that should keep all segments of the highway contracting industry equally busy.

Small business predominates both in number of contracts and total contract value in all three of the programs with the exception of the interstate program where the number of contracts handled by small business greatly exceeds the number handled by big business, but the value of the contracts handled by big business is slightly higher than the value of small business contracts. This is understandable, as large amounts of funds are concentrated in many complex and complicated interchanges which lend themselves to big business for economical construction and operation.

Each proposed project for work does, of course, involve its own individual problems to meet the conditions involved, but generally the size of any given contract is determined on the basis of efficient construction operations, and consideration toward building sections that are usable either on their own or in coordination with other contracts in the area. The benefit by small business as an adjunct in the development of community operations in their sphere of operations is evident.

Section 1.15 of the "Regulations for Administration of Federal Aid for Highways" requires that, except in unusual circumstances, the contracts for Federal-aid highway construction projects be awarded to the lowest responsible bidder. Similar requirements are contained in the State laws and regulations. This requirement necessitates a determination as to the responsibility of the bidder with respect to his ability and reliability to perform the contract work satisfactorily. All but 12 of the State highway departments make such determination before the contractor is permitted to bid. Each prospective bidder is required to submit sworn statements as to financial resources, available equipment, key personnel, and experience. These statements are then evaluated and determination made as to the kind and maximum amount of work the prospective bidder is qualified to handle. The past performance record of the contractor with respect to both accomplishments and attitude is also taken into consideration. The 12 States that do not require prequalification make similar determinations after bids have been opened as to the qualifications of the low bidder.

The regulations say in section 1.16 that with respect to Federal-aid projects, no procedure or requirement for prequalification, qualification, or licensing of contractors shall be approved which, in the judgment of the Administrator, may operate to restrict competition, to prevent submission of a bid by, or to prohibit the consideration of a bid submitted by, any responsible contractor, whether resident or nonresident of the State wherein the work is to be performed, and that requirements for the prequalification, qualification, or licensing of contractors, that operate to govern the amount of work that may be bid upon by or may be awarded to a contractor, shall be approved only if based upon a full and appropriate evaluation of the contractor's experience, personnel, equipment, financial resources, and performance record.

The States procedures for determining the qualifications of contractors for bidding and being awarded contracts are reviewed periodically by the Bureau of Public Roads to ascertain whether they are appropriate and adequate to assure correct evaluations. Spot checks are also made of representative evaluations to ascertain whether the prescribed procedures are being consistently and properly applied.

The precautionary measures described above assure that any contractor who is awarded a Federal-aid highway contract is actually qualified to undertake the project and complete it satisfactorily in accordance with the approved plans and specifications and within the specified time. Inasmuch as considerable judgment is involved in evaluating the contractors' qualifications on the basis of the available information, the system is not entirely foolproof and occasionally contracts have been awarded to contractors who later were found to be somewhat lacking in resources, ability, or integrity. The number of such cases that have occurred are so few as to be insignificant when viewed in comparison to the tens of thousands of organizations that have bid or applied for bidding on the hundreds of thousands of highway contracts that have been awarded during the more than four decades that the Federal-aid highway program has been in operation.

Whenever a contractor fails through default, incompetency, or lack of integrity to perform the contract satisfactorily, immediate steps are taken to assure satisfactory completion of the construction by other means. If circumstances justify, the contractor is then barred temporarily or permanently from bidding upon or being awarded other contracts, not only with respect to Federal-aid highway projects but also other types of projects in which Federal funds participate in the cost.

The total actual expenditures for Federal-aid highway construction, exclusive of expenditures for engineering and rights-of-way, for the 5-year period from 1957 to 1961, inclusive, were \$13.2 billion. Of this total amount, \$6.9 billion or 52 percent represents the cost of materials consumed, \$3.3 billion or 25 percent represents wages paid for the 1.2 billion man-hours of labor employed on the work, and the remaining \$3 billion or 23 percent represents equipment costs, overhead, and profit.

A study made by the Bureau of Public Roads in 1958 indicates that each billion dollars of Federal-aid highway work in active construction status generates on-site employment for approximately 48,000 men with weekly payroll of about \$4,650,000. Approximately 18,130 men of this working force are equipment operators and 2,605 service and repair equipment. Weekly earnings of this group total about \$2,190,000 or \$105 per man. Another 15,605 men are unskilled laborers with total weekly earnings of approximately \$1,150,000 or \$74 per man. All of these earnings figures are based on 1958 wage rates. The remaining 11,660 men are engaged in miscellaneous skilled and semiskilled crafts and in professional, managerial, clerical, and service occupations. The detailed percentage distribution of hours worked and wages paid for each craft is shown in table 10. Average hourly earnings for each craft are shown. These earnings are based on 1958 wage rates. They were computed by dividing total wages paid by total hours worked and therefore include any premium payments for overtime or other reason.

In addition to the employment generated at the actual construction site, there is at least as much and probably somewhat more off-site employment generated. This off-site employment would consist primarily of workmen engaged in the production, processing, and distribution of construction materials and equipment. It would also include employees in the construction contractors' central offices, supply depots, and repair shops. The total quantities and dollar values of the principal kinds of materials used in connection with the \$13.2 billion expenditures during the 1957-61 period are shown in table 11.

TABLE 10.—*Labor usage in highway construction, on a national basis, construction contractor employees only*¹

Occupational group	Percentage distribution		Average hourly earnings ²
	Hours worked	Wages	
Professional and managerial occupations:			
Foremen.....	5.98	7.10	\$2.89
Superintendents.....	2.51	3.29	3.18
Civil engineers.....	.53	.68	3.12
Managerial and official occupations other than superintendents.....	.20	.27	
Office managers.....			2.48
Project managers.....			3.42
Surveyors.....	.17	.19	
Instrumentmen.....			2.31
Accountants.....	.01	.01	2.33
Subtotal.....	9.40	11.54	
Clerical occupations:			
Paymasters, payroll clerks, and timekeepers.....	.50	.50	2.04
Clerks, general office.....	.23	.22	1.97
Bookkeepers and cashiers.....	.05	.05	2.18
Miscellaneous.....	.04	.03	
Subtotal.....	.92	.80	
Service occupations:			
Watchmen, flagmen, and traffic officers.....	.29	.19	1.58
Cooks.....	.01	.01	2.92
Subtotal.....	.30	.20	
Equipment operators:			
Truckdrivers.....	11.82	10.50	2.23
Tractor operators and loaders.....	5.20	5.85	
Tractor operators.....			2.53
Front end loader operators.....			2.59
Motor grader operators.....	4.14	5.04	2.70
Scraper operators.....	4.07	4.80	2.62
Crane, hoist, dragline, and shovel operators.....	3.98	5.09	
Crane operators (crawler type).....			2.78
Truck crane operators.....			3.02
Hoist operators.....			3.56
Dragline operators.....			2.57
Shovel operators.....			3.09
Bulldozer operators.....	3.85	4.57	2.63
Roller operators.....	1.83	1.78	2.16
Operators of concrete-mixing and concrete paving machines.....	.67	.67	
Concrete mixer operators.....			2.34
Concrete paver operators.....			3.21

See footnotes at end of table, p. 33.

TABLE 10.—*Labor usage in highway construction, on a national basis, construction contractor employees only*¹—Continued

Occupational group	Percentage distribution		Average hourly earnings ²
	Hours worked	Wages	
Equipment operators—Continued			
Operators of asphalt plants and asphalt paving machines	0.49	0.54	\$2.65
Asphalt plant operators			2.38
Asphalt paver operators			1.74
Batch plant operators			2.47
Concrete and asphalt finishing machine operators	.41	.61	
Rock crusher and gravel plant operators	.40	.50	2.74
Crusher operators			3.21
Piledriver operators	.34	.49	2.38
Off-highway hauling equipment operators	.27	.27	
Subgrading machine, form grader, and stone spreader operators	.17	.17	2.49
Subgrading machine operators			2.30
Stone spreader operators			2.56
Other construction machinery operators not elsewhere classified ³	.10	.12	
Trenching machine operators			
Apprentices	.03	.02	
Subtotal	37.77	41.02	
Crafts associated with equipment operation:			
Oilers of machinery	2.38	2.39	2.43
Mechanics	2.50	3.07	
Mechanics			3.05
Master mechanics			4.07
Mechanics helpers			2.18
Firemen	.23	.25	2.43
Engineers, stationary	.22	.30	
Pump operators			3.03
Air compressor operators			3.03
Piledrivermen	.10	.12	3.39
Subtotal	5.43	6.13	
Miscellaneous crafts:			
Carpenters	6.55	7.78	2.86
Concrete finishers	2.06	2.28	
Concrete finishers			2.70
Concrete rubbers			2.18
Drillers and mudjack operators	1.05	1.06	
Drill operators			2.61
Air tool men			1.85
Structural steelworkers and welders	1.01	1.42	
Structural steelworkers			3.65
Welders			2.76
Reinforcing steelworkers	.64	.75	2.86
Metal road form setters and form tamper operators	.56	.47	
Form setters, metal road forms			2.18
Bituminous paving occupations	.44	.42	
Asphalt rakers			2.34
Asphalt distributor operators			2.23
Pipelayers	.32	.27	2.22
Blasters and powdermen	.31	.33	
Blasters			2.53
Painters	.12	.15	3.32
Chainmen and rodmen (surveying)	.09	.07	2.11
Electricians	.08	.12	3.84
Brick and stonemasons, and tile setters	.07	.09	
Bricklayers			2.98
Stonemasons			3.32
Apprentices	.05	.05	
Carpenter apprentices			2.30
Ironworker apprentices			2.67
Plumbers	.04	.05	3.26
Other	.28	.23	
Subtotal	13.67	15.54	
Unskilled occupations	32.51	24.77	1.84
Total or average	100.00	100.00	2.42

¹ Based on reports received from 3,425 active Federal-aid projects, covering the 4-week period from July 13 to Aug. 9, 1958.² Includes overtime.³ Includes rig operators, dredge levermen, and trenching machine and stabilizer operators.

TABLE 11.—*Cost distribution of \$13.232 billion 5-year Federal-aid highway construction expenditures (1957-61)*

Item	Unit	Quantity	Cost (billions)	Percent of total
Aggregates.....	Million tons.....	1,404.0	\$2.238	16.9
Steel.....	do.....	6.1	2.029	15.3
Cement.....	Million barrels.....	171.4	.869	6.6
Bitumens.....	Million tons.....	19.5	.396	3.0
Concrete pipe.....	do.....	7.3	.171	1.3
Clay pipe.....	do.....	.2	.025	.2
Lumber and timber piling.....	Million board feet.....	1,203.0	.158	1.2
Petroleum products.....	Million gallons.....	1,941.0	.423	3.2
Explosives.....	Million pounds.....	304.8	.080	.6
Miscellaneous material.....			.465	3.5
Total material costs.....			6.854	51.8
On-site labor.....	Billion man-hours.....	1.2	3.282	24.8
Equipment ownership, overhead, and profit.....			3.096	23.4
Grand total.....			13.232	100.0

All highway agencies, public officials, contractors, and in fact the entire highway industry have a definite responsibility to see that the highway construction program is accomplished at the minimum cost compatible with assuring a high-quality product. This responsibility also extends to the producers and distributors of materials and equipment, to the engineers, craftsmen, and laborers who may be employed upon the work, and even to the public in general. We and our families and neighbors are the ones who as taxpayers will ultimately pay the costs and also the ones who must struggle along under intolerably congested and hazardous traffic conditions until the highways we use are completed to adequate standards. Therefore, we all have a very real and personal interest in seeing that everything possible is done to get the highway construction task completed as expeditiously and economically as possible.

It is important to point out that there is no intention to suggest that efforts to minimize costs should take the form of paying construction workers less than fair wages, nor that materials and equipment producers should receive less than a fair price for their products, nor that contractors should realize less than a fair profit on their work. Instead, every effort should be exerted to find ways and means of eliminating or simplifying cost-generating and time-consuming features and of achieving greater productivity for the efforts expended. It is the duty of both the contractor and the engineer to see that the taxpaying public obtains value received from the money expended.

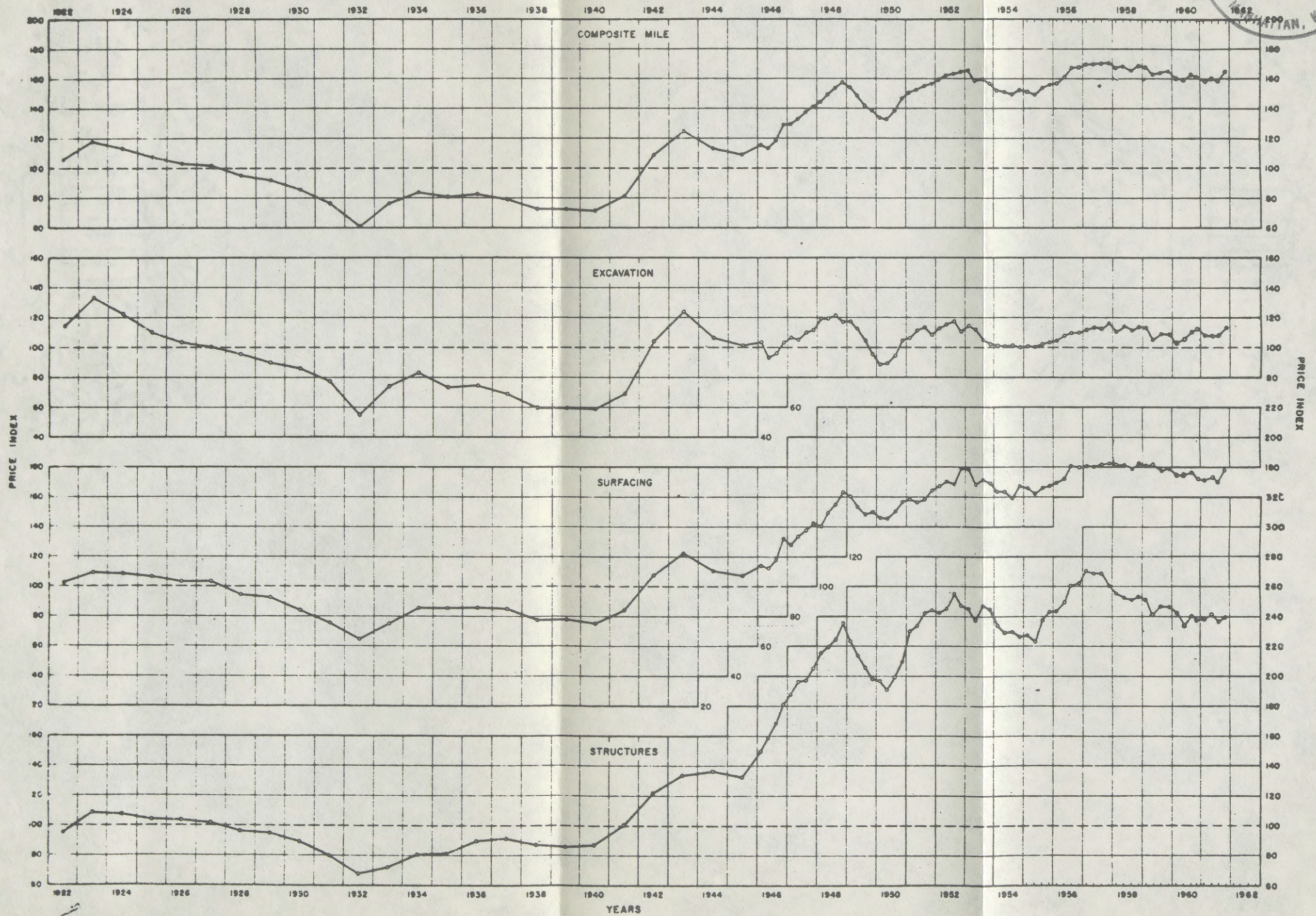
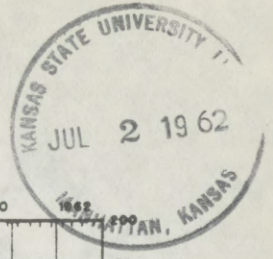
Data collected and compiled by the Bureau of Public Roads since 1923 shows that Federal-aid highway construction bid prices have remained quite stable for the past 10 years. The average unit bid price for common excavation is now almost exactly the same as it was 40 years ago in 1922. This stabilization in cost has occurred at the same time that wage rates and prices for materials and equipment have been almost constantly rising. This seeming paradoxical situation is clearly the result of greater mechanization of the work and the tremendous improvements in equipment and methods. The contractors and the equipment producers are entitled to the credit for this achievement. The chart below shows the trend of unit bid prices for excavation, surfacing, structures, and a composite of these items for the period from 1922 to the end of 1961.

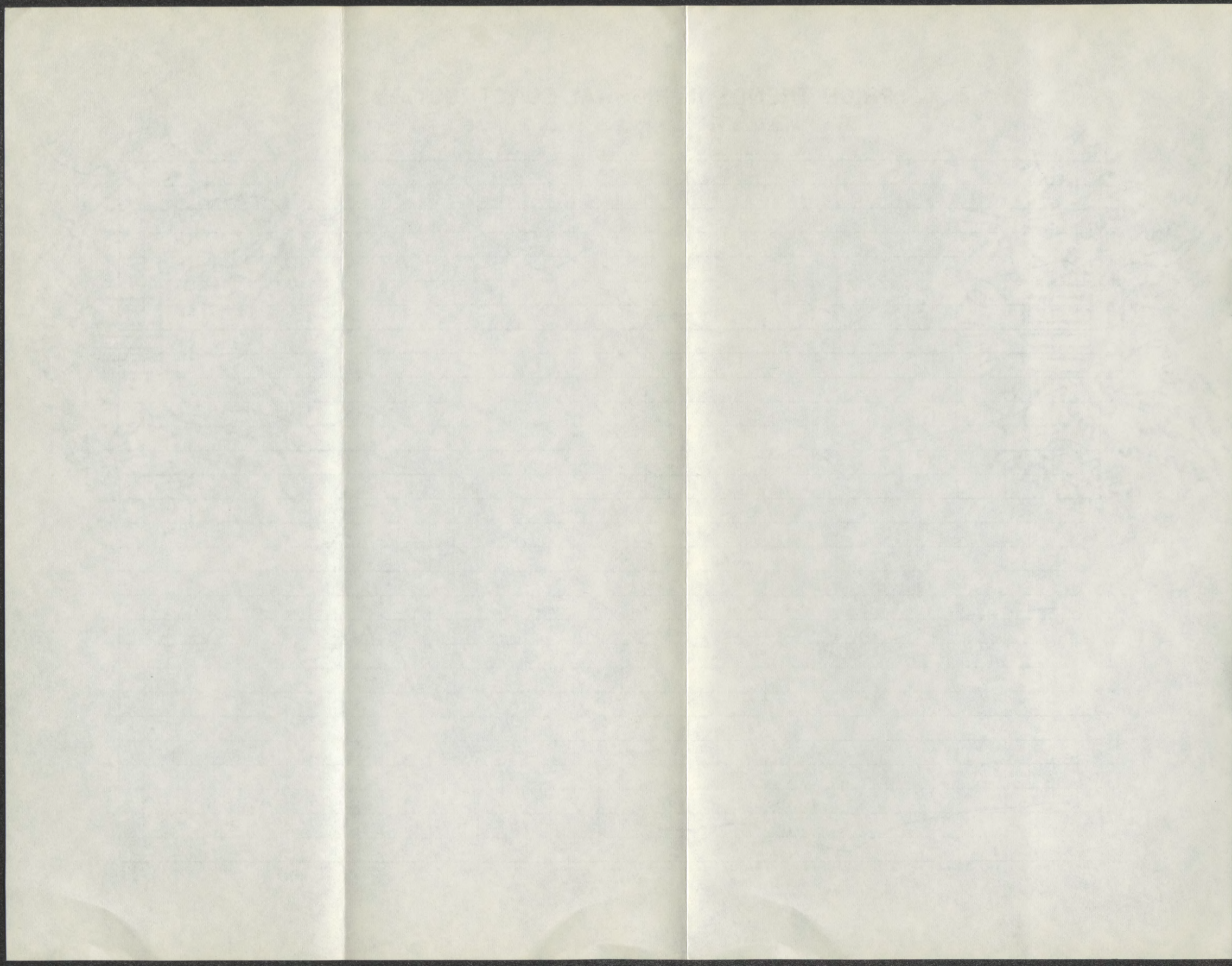
NEW MATERIALS, EQUIPMENT, AND METHODS

New and improved materials, equipment, and methods are constantly being developed and applied in the highway construction field. It has always been the policy of the Bureau of Public Roads and of the State highway departments to endeavor to keep abreast of such developments and to take full advantage of them in the highway program as soon as their merits can be determined. This policy is based on three considerations: (1) To improve the quality of the highways; (2) to effect economies in construction and maintenance costs; and (3) to foster private enterprise by providing market opportunities for new products, equipment, and processes suitable for utilization in the highway construction program.

PRICE TRENDS IN HIGHWAY CONSTRUCTION

AVERAGES FOR 1925 TO 1929 TAKEN AS BASE





In order to permit use of new materials, equipment, and processes, it is often necessary to revise existing standard specifications to eliminate restrictive provisions. Inasmuch as under the law the initiative in preparing specifications and plans is vested in the States, the Bureau's role in such matters is that of calling attention to and encouraging the adoption of possible improvements. Efforts are also constantly being made to effect greater uniformity in the widely differing requirements of the specifications of the several States with respect to the same construction items. The achievement of the maximum uniformity that is realistically possible is essential from the standpoint of economy of construction. Nevertheless, the desire for uniformity should not result in stifling the incentive for developing and adopting new and better ideas.

To encourage the use on a trial basis of innovations in highway construction, the Bureau and States have been engaging in an experimental construction program. The following paragraphs are quoted from PPM 60-2 on that subject:

"2. Objectives

"The objectives of the experimental highway construction program are—

"(a) To determine and evaluate the absolute or relative merits of new, nonstandard, or alternate highway design and construction features by utilizing them in highway construction work and observing their behavior under actual highway service conditions.

"(b) To disseminate the findings and promote the adoption and use in future highway design and construction of those features found to produce the best results from the standpoint of service behavior and economy of construction and maintenance.

"(c) To ascertain the desirability of further experimentation and research with respect to such features.

"3. Definitions and character of projects

* * * * *

"(c) An experimental feature may be either a material, process, method, equipment item, or other feature that—

"(1) Has not been sufficiently tested under actual service conditions to merit acceptance without reservation in normal Federal-aid highway construction; or

"(2) Has already been accepted but is included along with alternate accepted features for the purpose of determining their relative merits under comparable conditions.

* * * * *

"7. Subject summaries

"The data contained in the experimental project reports will be analyzed and evaluated in the Washington office. Subject summaries will then be prepared by the Office of Engineering with the cooperation of the Office of Research, consolidating for each experimental subject the findings on all projects in which comparable experimental features or alternate features have been incorporated. These summaries will include final or tentative conclusions on the merits of the experimental feature to whatever extent such conclusions are justified on the basis of evaluation of the data. Recommendations with respect to desirable further experimentation regarding the subject will also be included in the summary reports. Copies will then be distributed to Public Roads offices and to the State highway departments for consideration in connection with the use of the experimental feature in subsequent highway construction in connection with undertaking further experimentation or research on the same or related subjects.

* * * * *

"9. Additional experimental projects

"(a) Division and regional offices should constantly be on the alert for new ideas that show promise of developing improved practices, methods, designs, materials, and equipment and of improving the quality or the economy of the highway construction produced, or both. It is also their responsibility to encourage the State highway departments to undertake experimental construction projects for the purpose of ascertaining the merits of such features."

Although the Bureau of Public Roads favors maximum utilization of new developments in materials and processes, it also takes the position that the merits of such materials and processes should be adequately demonstrated before they are accepted for incorporation or use in highway construction financed with public

funds. This position is essential in order to protect the investment of such funds and in order to assure that the construction produced will serve its intended purpose of providing for the safe, economical, and expeditious movement of the traffic loads it was designed to carry and for the intended period of service life. Inferior quality of construction or unnecessarily high construction costs can, of course, not be tolerated merely for the purpose of utilizing an unproven new material or process. In general, it is considered to be the responsibility of the producer of a new material or sponsor of a new process to perform at his own expense the necessary research and testing to demonstrate its value, at least to the point where there is definite evidence that the material or process shows promise of being able to perform its purported purpose at a reasonable cost. Nevertheless, provision is made under PPM 60-2, from which paragraphs were quoted above, for a program by means of which proposed new materials and processes can be incorporated in actual highway construction, their merits determined by direct inservice comparison with alternate materials and processes, and the findings disseminated with recommendations as to the acceptability and desirability of such materials and processes for utilization in the highway program. The findings may also indicate the need for further testing through additional experimental construction or through laboratory methods. In some cases the findings may suggest certain changes to improve the material or process or may even disclose unsuspected desirable means of utilization.

In addition to the evaluation accomplished through the experimental construction program, the Physical Research Division of the Bureau of Public Roads is continuously engaged in laboratory research on new materials and processes. Such research is conducted both independently in the Bureau's own laboratories and in cooperation with State highway departments, educational institutions, other Federal agencies, and other public and private organizations having suitable research facilities.

From time to time the Bureau of Public Roads has undertaken certain special projects and issued special reports pertaining to highway materials and their use in highway construction. Examples of these are given below:

1. Guide specifications for rubberized asphalts

In 1960 the Bureau in cooperation with appropriate representatives of the asphalt industry developed and issued for use by highway agencies a guide specification for rubberized asphaltic materials.

2. Special reports

Special reports and informational memorandums to the Bureau field offices and State highway departments have been issued in 1960 and 1961 on many new materials and new uses of materials, including the following:

- (a) Asbestos fibers in bituminous concrete.
- (b) Urethane foam.
- (c) Lime as a stabilizing agent in bituminous mixtures and in subgrades and shoulders.
- (d) Plastic pavement markings.
- (e) Aluminum corrugated culverts.
- (f) Welded aluminum structures.

3. Quarterly reports on new methods and equipment

A report is prepared and issued quarterly to the Bureau field offices and State highway departments describing new construction methods and equipment that have been used on highway construction projects during the quarter. These reports which are based on information reported by Bureau and State engineers making inspections of active construction projects, often include data on new materials and new uses of materials. Bureau engineers actively participate as officers or members of numerous committees that: (1) Promote or engage in research related to materials; (2) evaluate the findings of research; (3) prepare specifications for new materials and processes; (4) issue reports and make recommendations relative to the use or nonuse of materials and processes; (5) foster liaison and cooperative efforts between highway agencies and the materials producing industry in solution of mutual problems related to highway materials and their uses. Examples of such activities are as follows:

1. Committees of American Association of State Highway Officials

(a) *Committee on materials.*—A Bureau engineer serves as secretary and three additional Bureau engineers are members. The remaining membership consists of a representative from each State highway department. This committee pre-

pare specifications for highway materials and for materials testing procedures and is currently engaged in preparing a manual covering inspection and quality control of highway construction materials.

(b) *Committee on construction.*—A Bureau engineer serves as secretary and an additional Bureau engineer is a member. The remaining membership consists of a representative from each State highway department. This committee prepares recommended specifications and manuals for highway construction.

(c) *Committee on bridges.*—A Bureau engineer serves as secretary and one additional Bureau engineer is a member. The remaining membership consists of a representative from each State highway department. This committee prepares specifications for bridge design and construction.

2. *Committees of highway research board*

The highway research board has a department of materials and construction without about 20 divisions operated under it, each of which is engaged in or fosters research into some of the problems relating to development, evaluation, control, and utilization of materials for highway construction. Representatives of the Bureau of Public Roads and State highway departments are active officers or members of the department and nearly all of the divisions.

3. *Joint cooperative committee of American Association of State Highway Officials and American Road Builders Association*

This joint committee, which is composed of about 25 representatives of the two associations and of the Bureau of Public Roads, operates to develop and encourage adoption of solutions to troublesome problems of mutual concern confronting the highway departments and the various segments of industry. It has been highly successful in accomplishing its objective. In addition to the main committee, a number of permanent and ad hoc subcommittees have been organized to consider certain problems or phases of activity. Each of these subcommittees has a Bureau of Public Roads engineer as chairman and several State and industry representatives as members. Special task forces have been or are being established to work on specific individual subjects. The presently organized subcommittees are as follows:

- (a) Structural supports for highway signs.
- (b) Standard short span bridges.
- (c) Mixing time for portland cement concrete and asphaltic concrete.
- (d) Compaction of earthwork.
- (e) Development, appraisal, and recommendation of new construction equipment.
- (f) Development, appraisal, and recommendation of new maintenance equipment.
- (g) Development, evaluation, and recommendation of new highway materials.

As a result of the research and experimentation work and of the activities of the numerous committees described above, great strides are constantly being made in exploring, developing, evaluating, and applying new and improved materials, equipment, processes, and methods to produce high quality of construction at lower costs and in less time. In addition to the accomplishments in these respects in the actual construction phase of the work, there have also been outstanding achievements of a similar nature in recent years in the related engineering phases of the highway program. Tremendous savings in time and engineering manpower are being realized through the development and application of electronic computation methods and aerial survey and photogrammetric techniques to highway and bridge location and design and to numerous other phases of the highway engineering work.

In addition to the savings in time and manpower, the extended application of these new processes and techniques has made it possible to make much more thorough and comprehensive investigations, analyses, evaluations, and comparisons than could reasonably be done by methods formerly in general use. Exploratory and development work is continually underway along all these and many other lines, including the adaptation of nuclear science to the highway field. Undoubtedly numerous new, better, faster, and less expensive ways of accomplishing the highway engineering and construction work will be developed and applied in the near future for the benefit of all of us as highway users and taxpayers.

BENEFITS OF THE FEDERAL-AID HIGHWAY PROGRAM

Specific highway user benefits

The immediate benefits of the program of Federal-aid highway improvements are realized in improved conditions of operation of motor vehicles, both passenger and freight. These benefits are brought about by the construction of smooth driving surfaces, by the elimination of sharp curves and steep grades, by the separation of opposing traffic streams with a median strip, by the elimination of private entrances and intersections at grade, and by the provision of scientifically designed traffic interchanges.

These are not fanciful or illusory benefits, but are very real and concrete ones, which can be readily perceived by the highway user. The motorist who wheels from a narrow, congested two-lane road, by way of a carefully designed ramp and acceleration lane, on to a controlled-access interstate highway does not need to be told that he has exchanged stop-and-go driving for a free-running ride, with greater safety at higher speeds. The over-the-road trucker knows full well that his operations benefit, in lowered fuel, tire, and maintenance costs and reduced travel time, from highway improvements that flatten out grades, reduce rise and fall, and enable his vehicle to move freely, at uniform speed, over long distances.

User benefits are classified into four categories: (1) Reduced operating costs; (2) savings in travel time; (3) reduction in accident costs; and (4) reduction in the strains and discomforts of congested and nonuniform driving. The fourth category is less tangible than the others, but the clicking of tollbooth cash registers gives ample evidence that the motorist places considerable value, not only on time savings, but also on a freerunning, uniform ride.

Estimates of the dollar value of user benefits cannot be highly accurate; but there is general agreement that those to be derived from the improvement of the Interstate System will be of great magnitude. Estimates made by the Bureau of Public Roads indicate that, starting at scratch on July 1, 1956, the user benefits of the Interstate System were \$1.3 billion in 1961; will be \$1.7 billion in the current year of 1962; will rise to \$5 billion as the program gets into its later stages in 1968; and will reach \$9 billion in 1973, the year of completion of the program. The consulting firm of Wilbur Smith & Associates, in its 1961 report, "Future Highways and Urban Growth," (p. 296) estimates the benefits in 1980 of the completed Interstate System to be \$11.7 billion. The Public Roads estimate for that year is \$11.4 billion.

For the other Federal-aid systems, the program benefits estimated by the Bureau of Public Roads for the same years are as follows:

[Billion dollars]

Year	Other Federal-aid primary	Federal-aid secondary	Total
1961.....	0.9	0.3	1.2
1962.....	1.2	.4	1.6
1968.....	2.9	1.0	3.9
1973.....	4.9	1.6	6.5
1980.....	7.7	2.8	10.5

Other benefits

In addition to benefits ordinarily associated with users of the highways, there are a number of benefits that extend to other and nonuser groups. These benefits can be indicated in various ways. Some of the effects accruing to nonusers can be measured in dollar terms—for example, land value increases along specific highway improvements. There are other benefits—intangible benefits which cannot be accounted for in dollar values, for example, enhanced opportunities for education, recreation, and cultural activities. These highway benefits can be summarized in terms of affected groups, including agriculture, industry, trade and commerce, public services, and residential areas.

Data from some 30 land value studies show that in almost all cases the value of land near highway facilities increased significantly. Where land value changes in highway-influenced areas were compared with changes in areas not influenced, property values near the highway increased five times faster than in the control areas. In rural areas, the U.S. Department of Agriculture has estimated that

the sales price of farm properties located on dirt roads would have been from 3 to 11 percent higher if the same properties had been served by gravel roads and from 7 to 32 percent higher if a paved road instead of a dirt road had been involved.

Land value increases along improved highways no doubt reflect the major role highways have played in the American agricultural revolution. Both passenger automobiles and trucks are particularly well suited to the needs of farmers and farm operations. Highway transportation tends to reduce the competitive advantage of farmlands near market areas by bringing more distant land into the competitive market for farm products and opening up social, educational, or cultural opportunities that may have been too remote prior to a highway improvement. The importance of increased highway mobility on farm operations is suggested by the fact that the number of farm operators working off the farm has increased from a million and a half to almost two and a half million during the past 15 years—the same period when the number of hired farm workers has increased for less than a million to almost three million. The association between modern highways and increased off-farm employment has been noted in several specific locations, including North Carolina and Iowa.

There is considerable evidence suggesting the important role which highways play in the industrial development of land nearby. These indications of the influence of highway facilities consist primarily of events or activities—for example, the establishment of new industrial and commercial establishments—which take place in association with highway improvements. The apparent relationship between modern highways and industrial and commercial development has been demonstrated in studies of such highway facilities as Massachusetts Route 128, the Dallas Expressway, the Gulf Freeway, the Atlanta Expressway, and the Santa Ana (Calif.) Freeway. In recent years, industry has become increasingly conscious of the advantages to be gained from access to highways. Location along a modern-type highway makes it possible for industry to put itself in communication with those aspects of society—labor markets, suppliers, etc.—upon which its success depends. For example, industrial investment along Massachusetts Route 128 during a recent year amounted to almost two-fifths of all new investment in the Boston metropolitan area. In Indiana almost half of the 354 new industrial plants established during the past 3 years are located within a 45-mile band straddling the Indiana Turnpike. And during a recent period in Alameda County, Calif., over 40 percent of the industrial development occurred within an area most subject to highway influence comprising less than 10 percent of the county's industrial acreage.

Any business seeks to locate itself in such a way that it can most effectively serve its function, and improved highway transportation ordinarily has an important bearing on this. Increased use of highway transportation has been associated with larger and larger trade areas—from about 5 or 6 miles in the early part of the century to 30 to 150 miles at the present time. During this period the number of retail trade establishments increased in number from about 1.6 to 1.9 million; sales volume increased from approximately \$46 to \$200 billion in 1958 in current dollars; and population increased from 132 to 173 million.

Effects on commercial areas bypassed by modern highways have received considerable attention. The experience of these areas following the opening of bypass or traffic relief routes has generally been good. In fact, about two-thirds of the approximately 80 bypassed areas for which retail trade activity has been analyzed have experienced either a greater increase or a smaller decrease than that which occurred in a comparable area without a bypass route.

Highway effects on certain public services have been fairly spectacular. In education, for example, improved highway transportation has been associated with a decline in the number of rural schools of from 200,000 to 25,000 during the past 40 years. But during this same period the number of pupils transported in schoolbuses has of course increased, and the cost of transporting each pupil has declined. This lower cost appears to be due partly to improved highway transportation. During the past 30 years, the daily mileage traveled by each bus has nearly doubled—changing from 22 to 40 miles.

Postal services have also undergone changes which are partly attributable to highway improvements—for example, longer rural routes and fewer post offices. Changes in rural mail delivery routes show a remarkable improvement in productivity. During the last 40 years, the average rural delivery route has more than doubled in length—increasing from 27 to 56 miles.

The phenomenal increase in population of U.S. metropolitan areas is well known. Since 1950, about 97 percent of the growth in population has occurred in metropolitan areas. Within metropolitan areas, the suburban fringes are ex-

perencing the fastest growth rates—approximately seven times as fast as the rate of growth for central cities. This suburban explosion has depended significantly on the large-scale conversion of land to residential purposes. Improved highway transportation tends to bring more land close enough in traveling time to be suitable for development. The effect of highways in increasing the supply of land readily available for residential use has been observed and recorded in a number of locations—for example, in Atlanta, Pittsburgh, Chicago, Los Angeles, Oakland, Boston, and San Antonio. In San Antonio, for example, the number of residences increased by 500 percent along a section of that city's Loop 13 Expressway in the 1955–58 period when this section was opened to the public. Land removed from the highway's influence experienced a 16-percent increase in number of residences and apartments during this same period.

The effectiveness of modern highways in improving conditions in economically depressed areas has often been demonstrated in foreign lands where we have cooperated in their roadbuilding programs. What is not so well recognized is that within relatively short distances of many of our larger metropolitan centers are areas of severe economic depression, such as the Appalachian region of Eastern and Southeastern United States, and the Upper Peninsula of Michigan. Old sources of income in these areas, such as lumbering and mining, are now either declining or mechanized and can no longer support the population. However, most of these areas have great potential resources in mountains, forests, streams, and lakes which have tremendous recreational potential that can be realized only through the development of adequate highways to and within such regions.

A case in point is the new business related to recreation and tourism that has come to the Virginia-North Carolina-Tennessee area following construction of the Skyline Drive and the Blue Ridge Parkway. A new development made possible by adequate highways that is just now spreading through some portions of this area is the building of vacation homes for urban residents, singly or in colonies. Good roads now make such development practicable within a radius of 75 to 175 miles of our larger cities (from 2 to 4 hours' driving time). Construction of new interstate, primary, and secondary highways will make it possible to extend this radius considerably, and thus make this kind of development possible in areas, such as the Monongahela National Forest region of West Virginia, now considered too remote.

Better transportation in these areas may well help to revive their declining industries or to foster the establishment of new ones. With the prospect of cheaper transportation costs both of raw materials and finished products, and of drawing a labor force from an enlarged radius, commercial and industrial operations which cannot now make their way financially will perhaps find it entirely possible to stay in business and make a reasonable profit.

HIGHWAY SAFETY

As an average during 1961, about 11,000 miles of the National System of Interstate and Defense Highways were open to traffic. While not all of this mileage was improved to ultimate standards adequate for traffic anticipated in 1975, it had all been brought at least to the stage of being fully capable of handling current traffic.

Along with capacity to handle large volumes of traffic, these modern freeways, with divided roadways separating opposing traffic, planned interchanges, and controlled access provide a high degree of safety to motorists. It is rather accurately estimated that having these 11,000 miles of the Interstate System in use during 1961 saved some 2,000 lives that would otherwise have been lost in traffic accidents, based upon reliable accident experience statistics covering different types of highways.

In addition to the savings in lives, it is estimated that these 11,000 miles of interstate highways have also resulted in at least 60,000 fewer accidents and 25,000 fewer injuries. The resulting dollar savings in accident costs during 1961 is estimated to be well over \$100 million. This is a substantial dividend from this one feature alone.

As the interstate program progresses and more miles are completed, and as drivers become more accustomed to freeway travel, the total annual savings in lives and reduction in accidents and injuries will rise. It has been conservatively estimated that in 1972, when the system is completed, more than 5,000 people will be spared from death on the highway every year as the direct result of this program.

Mr. WHITTON. Again, as I have stated, Mr. Chairman and members of the committee, it is a pleasure to appear before you, to present the views of the Department of Commerce on H.R. 9725, introduced by Congressman Fallon; H.R. 9848, introduced by Congressman Scherer; and on H.R. 11199, introduced by Congressman Buckley. The latter bill was based on draft legislation submitted to the Congress by the Department of Commerce on April 6, 1962, to implement certain of the recommendations contained in the President's recent message on transportation, and to provide authorizations for the Federal-aid A-B-C highway program and for other Federal road construction programs at levels recommended by the administration.

Also, I am furnishing the committee certain up-to-date and pertinent information on the present status of the Federal-aid highway program, as well as other current matters of importance in the highway field. We feel that it is our responsibility to keep the Congress fully informed of developments in this vital program.

The President's message on transportation was submitted to the Congress on April 5, 1962 (H. Doc. 384, 87th Cong., 2d sess.). On April 6 the Secretary of Commerce sent to the Congress a proposed draft of bill to be cited as the Federal-Aid Highway Act of 1962. The purpose of H.R. 11199, identical to the administration's draft proposal, is to provide authorizations for the Federal-aid A-B-C highway program, as well as for other direct Federal highway programs and to carry out specific recommendations of the President made in his transportation message.

The Federal Highway Act of 1960 (74 Stat. 522) authorized the appropriation of funds for the Federal-aid primary and secondary highway systems and extensions thereof within urban areas, the A-B-C program to which I have referred, for the fiscal years 1962 and 1963 in the amount of \$925 million for each year. Funds authorized for the fiscal year 1962 were apportioned to the States in 1960, and the final apportionment of funds authorized for the fiscal year 1963 was made by the Secretary of Commerce, effective October 10, 1961.

Since all authorized funds for the A-B-C highway program have been apportioned, it is necessary that the Congress give consideration during this session to the enactment of legislation making annual authorizations for the fiscal years 1964 and 1965 for continuation of the construction of these highways.

The pending legislation, H.R. 9725, would provide authorizations for the fiscal years 1964 and 1965 for the Federal-aid primary and secondary highway systems and their extensions within urban areas. Authorizations proposed by H.R. 9725 for the fiscal year 1964 would amount to \$950 million for the A-B-C program, an increase of \$25 million over the amount of \$925 million authorized by the Congress for this program for fiscal year 1963. For the fiscal year 1965 there would be an increase to \$975 million, or \$50 million over the fiscal 1963 level.

The net effect of annual increases of \$25 million in the A-B-C authorizations, beginning with fiscal 1964, and continuing until a \$1 billion annual level is reached for fiscal 1966, would be to increase the total authorizations of A-B-C funds by \$75 million during the trust fund period, of which \$25 million would be authorized by H.R. 9725 and \$50 million would result from continuing the annual increases for

fiscal years 1966 and 1967. Such additional authorizations would increase expenditures from the trust fund by a like amount.

In his special message to the Congress of February 28, 1961 (H. Doc. 96, 87th Cong., 1st sess.) the President recommended that the authorizations for the regular A-B-C programs be increased by \$25 million every 2 years beginning in 1964 until a \$1 billion level is reached and maintained. The authorization proposed in H.R. 9725 for the A-B-C program for the fiscal year 1965 is not, therefore, in line with the President's recommendations.

The Department of Commerce favors instead enactment of the authorization levels proposed in H.R. 11199. Section 2 of that bill would authorize funds for the Federal-aid primary and secondary systems and extensions thereof within urban areas in the amount of \$950 million for each of the fiscal years 1964 and 1965. This represents an increase of \$25 million over the authorization level for the 2 previous fiscal years and is in accordance with the recommendations of the President.

Mr. SCHERER. Mr. Chairman.

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. Mr. Whitton, you will note the bill I introduced calls for the lesser amount, as recommended by the President. Is that not right?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. All right.

Mr. WHITTON. This increase in the authorization for the A-B-C program is considered necessary for its orderly continuation consistent with the national interest expressed in section 101(b) of title 23, United States Code. It is also in line with the increased authorizations provided for the Interstate System under section 103 of the Federal-Aid Highway Act of 1961 (75 Stat. 122).

Under the provisions of both H.R. 9725 and H.R. 11199, authorizations for the forest highway program would be made for fiscal years 1964 and 1965 in the same amount, \$33 million, authorized for these highways by the 1960 act for fiscal years 1962 and 1963.

With respect to public lands highways, the bills would continue for fiscal years 1964 and 1965 authorizations at the \$3 million level previously authorized for fiscal year 1963.

We consider that the sums proposed by this legislation are essential to maintain these programs at an appropriate level.

Other highways provided for—forest development roads and trails, national park roads and trails, national parkways and Indian reservation roads, as well as a proposed new category in H.R. 11199 to be known as public land development roads and trails—are under the primary jurisdiction of other departments of the Federal Government. Justification for these programs will be furnished by these departments.

Mr. SCHERER. Mr. Chairman, may I interrupt Mr. Whitton?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. This new category of highways, as you say, is proposed by H.R. 11199. Have funds from the trust fund heretofore been appropriated for this new category?

Mr. WHITTON. No, sir.

Mr. SCHERER. They have not?

Mr. WHITTON. No, sir.

Mr. SCHERER. What is this new category? Would you explain it?

Mr. WHITTON. I believe that the other departments that are recommending these programs including the new category proposed, should explain them.

Mr. SCHERER. Are they here?

Mr. WHITTON. The man from the Forest Service is here.

Mr. SCHERER. Where has the money come from for these new highways before?

Mr. WHITTON. From the general fund.

Mr. SCHERER. From an appropriation for these funds?

Mr. WHITTON. From the general fund, I understand.

Mr. SCHERER. This would be a new charge to the trust fund.

Mr. WHITTON. Not to my understanding. It is my understanding it will be out of the general fund.

Mr. SCHERER. That would still come out of the general fund?

Mr. WHITTON. That would be my understanding.

Mr. FALLON. Will the gentleman yield?

Mr. SCHERER. Yes.

Mr. FALLON. Isn't it true, Mr. Whitton, that all of these categories come out of the general fund?

Mr. WHITTON. Yes, sir.

Mr. EDMONDSON. If I understand correctly, the change being proposed is that they be appropriated for in the same general bill, or, rather, authorized in the same general bill rather than by authorizations by the different departments. Is that it?

Mr. WHITTON. They are included in this bill, but I would assume they would continue to be financed out of the general fund as they have been in the past.

Mr. EDMONDSON. But you are treating the authorization for it as a category of this bill?

Mr. WHITTON. In this bill, yes, sir; but the justifications for the authorizations will be made by the departments, I understand.

I will turn now to the specific recommendations of the President for amendments to the Federal-aid highway legislation made in his recent and timely message on transportation, a subject vital to the interests of the entire country.

One of these recommendations, concerning relocation assistance for those displaced as a result of Federal-aid highway construction, is not entirely new as the President had referred to this problem in his special message on highways of more than a year ago.

On the matter of displacement of families, the President mentioned his previous message and stated that:

To move toward equity among the various federally assisted programs causing displacement, I recommend that assistance and requirements similar to those now applicable to the urban renewal program be authorized for the Federal-aid highway program * * *.

Section 3 of the bill, H.R. 11199, now under consideration by this committee, would implement this recommendation. The Secretary of Commerce would be authorized to require assurances by the State highway departments of feasible temporary relocation methods and availability of suitable dwellings for families displaced by Federal-aid highway projects, and to approve Federal-aid participation in State relocation payments, with specified limitations, for reasonable and necessary moving expenses and actual property losses not otherwise compensated.

The limitations on relocation payments would be:

(1) \$200 in the case of an individual or family; and

(2) \$3,000 in the case of a business concern or nonprofit organization (or if greater, the total certified actual moving expenses).

The proposed provision is designed to alleviate certain hardships to families and businesses displaced as a result of Federal-aid highway construction.

Mr. SCHERER. May I interrupt again, Mr. Chairman?

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. As to these relocation costs for displaced families, these costs would come out of the trust fund?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. That means we would build fewer miles of highways, would it not?

Mr. WHITTON. Not necessarily, Mr. Congressman. We could extend the life of the program a week or two and pick up the money.

Mr. SCHERER. Under the legislation as it now exists there would be fewer miles.

Mr. WHITTON. Well, there would be some of the money spent this way, and whether or not we would have enough in the trust fund as it is now financed, to handle that additional cost, I would be unable to say at this time. Right now I think we have a balance of enough to do it. Over \$100 million, I think.

Mr. SCHERER. What is the estimated cost?

Mr. WHITTON. We are estimating \$50 million.

Mr. SCHERER. \$50 million?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. If you do it for four times that I would be surprised. Go ahead.

Mr. FALLON. Will the gentleman yield? You said you had a balance of \$100 million?

Mr. WHITTON. That is the figure I have in my head—that the estimated cost of the program, and the estimated income from the program over the life of the program is such that we would be \$100 million to the good at the end of the program. Is that right, Frank? Frank Turner says that it is actually a little more than that.

Mr. BALDWIN. Will the gentleman yield?

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. This is your estimate over about 15 years ahead, is it not?

Mr. WHITTON. Well, it is to 1972.

Mr. BALDWIN. So whether that amount will ever materialize neither you, nor I, nor anybody else can know.

Mr. WHITTON. No, sir; that is our best estimate today.

Mr. SCHERER. If we have a little inflation it could be wiped out overnight, could it not?

Mr. WHITTON. Yes, sir, or we could have an increase in the income, with more automobiles on the road being in use.

Mr. SCHERER. We will have more inflation if we keep on spending as we are.

Mr. FALLON. The bill reads, Mr. Whitton, "temporary relocation of families." What does that word "temporary" mean? Does it mean you put them up in a hotel or an apartment house?

Mr. WHITTON. I would not assume it would be that way. I would assume we would try to find some housing that would be temporarily available if necessary. Of course, we would move them permanently if it were possible, but where it is not possible we would try to provide temporary housing.

Mr. FALLON. During that temporary period, would that be at Government expense?

Mr. WHITTON. I should not attempt to answer that, Congressman. I would assume we would allow them a total expense and they would have to take care of it out of that total we would allow them.

Mr. SCHERER. Is not this the real beginning of the rape of the trust fund, which we have tried to guard so zealously?

Mr. WHITTON. I do not feel that it is, Mr. Scherer. I think since we are paying for the moving of families in all the other Federal programs, that it puts us in a rather poor position to be the only Federal program that is not helping to move families, and I do not think it would get out of hand.

Mr. BALDWIN. Would the gentleman yield?

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. Mr. Whitton, this section in the bill, on page 4, under section 133, says—

The Secretary, as a condition precedent to his approval under section 106 of this title, shall require the State highway department—

and then goes on and says he has to make a determination—

that there are or will be provided in areas not generally less desirable in regard to the availability of public utilities and public and commercial facilities 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 adequate in number to accommodate such displaced families and reasonably accessible to their places of employment.

I can understand such a provision with an urban renewal project, because the theory of urban renewal projects is to try to provide better housing accommodations for the people within the same general area and, therefore, there would be no purpose in an urban renewal project unless such a provision were in a bill; but the objective of the highway program is considerably different. The objective of the highway program is to provide a pattern of highways nationwide that would be adequate to take care of our traffic.

If this means what it says, and it surely reads that way to me, you would be blocked for maybe a year in putting through some essential highway on the Interstate System in a particular area because the route just happened to go through the best part of town and you have to take the best homes, and you have no other homes of similar grade and, therefore, until somebody came in and built such homes some place else, you would be barred from putting in the Interstate System to serve the needs of maybe millions of people because five or six families would not have houses of equivalent stature to go into, then certainly we are thwarting the basic objectives of the program. It is not comparable to the urban renewal program because the objectives of the highway program are different from the urban renewal program.

I would appreciate your comment on how you feel this would affect the program.

Mr. WHITTON. I think it could cause some delay in certain projects, but based on some experience in that area I would not think it would delay the program as a whole. It could delay some jobs in some cities, and if this is the case, we can shift the money within the affected State to some other area of the Interstate System, or some other area of the A-B-C system.

I have gone through such a situation in my own State where the State itself passed a law that we could not move certain families in a certain area for 2 years, which rather pleased some other areas of the State, because they got the money. If we run into difficulty in a particular section on moving families, it is going to take some time, but the highway departments all over the country are trying to get their plans ahead so that they can get this relocation problem solved. I see no great difficulty in delay in the building of any street, but if we did get into delay in one area we could certainly step up the program in another area in the same State.

Mr. BALDWIN. It might be true that you could step up the program somewhere else, but it would certainly thwart the order of priority. To start out with you must have set an order of priority.

Mr. WHITTON. I do not think it would. I think most of the States involved in this program are getting ahead with their plans in such a way that they can absorb this moving of the families.

Mr. SCHERER. But under section 133, as I read it, before the Bureau of Public Roads can even approve preliminary plans and specifications the States must assure the Bureau of Public Roads that decent, safe, and sanitary dwellings will be provided for those persons to be removed from the rights-of-way. Is that not right?

Mr. WHITTON. I think you have found a spot that needs a little revision, Congressman. I think that ought to read, before an approval of contract plans or bids for construction.

Mr. SCHERER. That would certainly delay the program as Congressman Baldwin pointed out.

Mr. WHITTON. But if we put it as a condition precedent to the Secretary's approval of authority to receive bids for construction, that would correct it. Naturally, the States have got to make surveys. They have to have the Federal-aid money with which to do it, and they have to prepare their plans, because we do not know what houses are going to be moved until the plans are prepared, so I think that there is a point that should be corrected.

Mr. SCHERER. This same section, as I read it, says that the States must assure the Federal Government that these persons to be removed from the right-of-way are provided with decent, safe, and sanitary dwellings. Does that not mean that perhaps the State in many instances, or the Federal Government, may be required to supply them with living quarters that exceed the standards of the living quarters that they presently occupy. You remove a lot of people from rights-of-way who do not have this type of abode, do you not?

Mr. WHITTON. We would hope, Mr. Congressman, in cases where large numbers are involved, we could work with the housing people and arrange for this.

Mr. SCHERER. In some places we are going to give them better housing than they have presently, aren't we, if we follow this standard?

Mr. WHITTON. Well, I hope they could find better housing.

Mr. SCHERER. The State must supply that then.

Mr. WHITTON. I do not read it that way.

Mr. BALDWIN. Mr. Whitton, I can understand this with an urban renewal project because the purpose of that is, if they are going to take away a group of homes the purpose is to provide them with better and more sanitary homes, but if I read this correctly you, the Bureau of Public Roads, are going to have the obligation actually to take over the responsibility to build homes, or to see they are built by some public agencies, if such homes are not available.

Mr. WHITTON. I do not think it provides that the State will be responsible for building the homes. They are responsible to see that they are available.

Mr. BALDWIN. Suppose they are not available? Then what do you do?

Mr. WHITTON. Then I assume there would be a delay of the project until they are available.

Mr. BALDWIN. Who is going to make them available?

Mr. WHITTON. I cannot answer that. I would assume that the city or State, or the city would be interested possibly in trying to make homes available.

Mr. BALDWIN. But this means in effect some public body would have to actually come in and build such homes if they are not otherwise available before you would have the right to go ahead and build your road.

Mr. WHITTON. Yes. I think that is correct.

Mr. SCHERER. If we adopt this provision I think we will not finish this program on target date and we might as well advance the target date to about 1976 or 1978.

Mr. CLARK. Will the gentleman yield?

Mr. FALLON. Mr. Clark.

Mr. CLARK. So far, I think, you can say we have saved over \$100 million, or at least they are that much in the black today. If I am not right they will correct me. I think we could say that most of that is due to this special subcommittee on the Federal-aid highway program that we have here. So in the next 5 years we will be saving another \$75 to \$100 million which we can go to putting into St. Peter or St. Paul. Do you agree with me there?

Mr. SCHERER. I wish I could agree with you.

Mr. FALLON. Mr. Buckley is chairman of the full Committee on Public Works, and he has correspondence from Mr. Moses on this particular subject. The chairman feels it might be of benefit to have this read in answer to some of the questions that have been propounded. Will the counsel, Mr. Sullivan, read the letter from Mr. Moses?

Mr. SCHERER. Who is Mr. Moses?

Mr. SULLIVAN. Robert Moses.

Mr. SCHERER. Oh, from New York?

Mr. BUCKLEY. The Republican candidate for the Governor of the State.

Mr. SCHERER. That makes it so much the worse. I remember Mr. Moses. Let us go ahead.

Mr. SULLIVAN. This is a letter dated April 16, 1962, and it reads as follows:

TRIBOROUGH BRIDGE & TUNNEL AUTHORITY,
New York, N.Y., April 16, 1962.

HON. CHARLES A. BUCKLEY,
Chairman, Committee on Public Works,
House of Representatives,
U.S. Capitol, Washington, D.C.

DEAR CHARLIE: H.R. 11199, the Federal-Aid Highway Act of 1962, among other purposes makes provision for assistance for displaced families and businesses. The objective of this part of the proposed legislation is beneficial and I strongly recommend it.

The relocation of tenants is difficult and time consuming. It often controls and delays progress of construction to a greater extent than planning and actual work in the field. The latter are under the direct supervision of State highway departments. Relocation involves serious inconveniences and financial burdens for those who had the misfortune of living in the way of public improvements, arouses the sympathy of the courts and the press, and present numerous human problems.

New York City has had extensive experience in relocation of families displaced by construction of highways, schools, playgrounds, health centers, housing, urban renewal, and other public improvements. In 1960, 15,613 residential and 1,745 commercial tenants were relocated, and 11,215 residential and 1,528 commercial in 1961.

These families have been moved to decent, safe, and sanitary accommodations with the aid provided by a sustained relocation program under the direction of the appropriate agency. The policy in general is to pay \$100 per room up to a maximum of \$500 and moving expenses to families finding their own new quarters and voluntarily relocating themselves. A tenant relocation and information office is opened at the site and tenants are interviewed to evaluate their needs. Offsite apartments after inspection for compliance with standards are listed for their convenience. Public housing is made available to those with limited income. Tenants making use of the relocation service receive moving expenses and cash payments of from \$50 to \$125, depending upon the circumstances.

The average cost of relocation in either circumstance is about \$400. The program has been invaluable and the public works, housing, and urban renewal programs could not have been accomplished without it. I personally feel that the payments made by the city for voluntary relocation should be doubled. Even larger amounts would be small recompense for the financial distress of families who have to move in the interest of the general welfare.

It is evident from the above that maximums prescribed in section 133(c) are inadequate, do not reflect existing practice, and will not accomplish their intended purpose. I recommend that the limitations be removed.

I also recommend that if the Secretary, as a condition precedent to his approval of contract plans, specifications, and estimates for federally aided highway projects shall have the power to direct the method of relocation, he review the program and estimated cost of relocation along with other plans and approve it as part of the project cost.

Attached are proposed changes to sections 101 and 133. These will eliminate present ambiguity in phraseology.

The development of a balanced transportation system in metropolitan areas as proposed in section 134 is an exalted goal. It presumably looks to the time when the railroads with their commuter problems, the trucking industry, rapid transit system, public and private buslines, water carriers, public authorities, owners of passenger cars, the State and Federal Governments, and the hundreds of political subdivisions—cities, counties, townships, towns, and villages in the States of New York, New Jersey, and Connecticut, comprising the New York metropolitan area, put aside local pride, politics, and individual problems and combine their resources for the greater good. The possibility of this is remote and certainly cannot be accomplished in the immediate future.

With respect to section 134, the requirement that the Secretary, after July 1, 1965, find that highway projects conform to a comprehensive balanced transportation plan before granting his approval, will bring the Federal highway program in New York City to a complete standstill. The reason is obvious and simple. Such a comprehensive plan cannot be completed by that time if indeed it could be in the next decade.

I recommend that the portion of section 134 beginning with line 15 to line 25 be eliminated.

Cordially,

ROBERT MOSES, *Chairman.*

Attachment.

ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES

SEC. 3. (a) Chapter 1 of title 23, United States Code, is amended by revising the definition of the term "construction" in section 101 to read as follows:

* * * * *

with specifications of the Coast and Geodetic Survey in the Department of Commerce), costs of rights-of-way (including the administrative and other expenses of providing for the relocation of families and relocation payments to * * *."

S. 133. ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESS

(a) The Secretary, as a condition precedent to his approval under section 106 of this title, shall require the State highway department, through an agency or agencies acceptable to the Secretary, to assure that where necessary there is a feasible method for the temporary relocation of families displaced by acquisition or clearance of such rights-of-way for any Federal highways, and that decent, safe, and sanitary dwellings will be provided for families displaced by the acquisition of clearance of such rights-of-way in areas not generally less desirable in regard to the availability of public utilities and public and commercial facilities at rents or prices within their financial means and reasonably accessible to their places of employment.

Mr. KLUCZYNSKI. Mr. Chairman, I agree with Mr. Moses and believe he is a great man. I do not believe that Mr. Scherer and Mr. Baldwin are against relocating the families and giving them a good, standard way of living and better quarters. It is not their fault we are putting the road through there. We are refunding the utilities for relocating, aren't we?

Mr. FALLON. Let the Chair say I do not think that this question was asked by a member to show whether he is for or against it. It is more or less just to get information so he can make up his mind as to whether he is for it. I will say here that the committee has an open mind on all of the legislation that is before us at this time.

Mr. SCHERER. I only wish Mr. Moses himself would appear so we might cross-examine him. I think his experience before the committee the last time he appeared has kept him away.

Mr. BALDWIN. Mr. Chairman.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. I would like to make one observation with regard to this. I do not think the issue has been raised here as to whether or not this committee ought to authorize some kind of relocation expense. It may be in New York, which has an urban renewal authority and a housing authority, and all of these things, that this would present no problem of delay in the city of New York, but if you go out into some Midwest or far western State and go through a small town which has no urban renewal authority and no housing authority, and you cut through the edge of the small town and eliminate three houses. Maybe there are only that many houses in town sufficient for the number of families involved, so then the highway department cannot proceed until somebody builds three houses. If nobody else builds them then they have to create a housing authority or an urban renewal authority to build three houses, and this will produce a serious delay.

I am not arguing about the relocation expense but about setting up a condition precedent that you cannot go ahead and build a highway until the Bureau of Public Roads takes the responsibility of providing housing that meets a certain standard. I do not think it should be the responsibility of the Bureau of Public Roads.

Mr. SULLIVAN. I do not think it is intended that it should be the direct responsibility of the Bureau of Public Roads, but puts the responsibility on the local and State agencies involved in this problem. Their plans must be approved by the Bureau of Public Roads. I do not think this puts the Bureau of Public Roads, as such, in the housing business. They have to okay the plans presented to them by the State. Also, on the point you just raised, insofar as the small community or smaller community is concerned, it seems to me the bulk of this relocation will take place in the larger cities such as New York, Detroit, Chicago, and any larger area you might name. I think that is what this is mainly aimed at, and not at your small areas as such.

Mr. BALDWIN. May I say that the bill makes no such definition.

Mr. SULLIVAN. I understand that. That is correct.

Mr. BALDWIN. The bill has a blanket definition, and when you say it does not get the Bureau of Public Roads into it, this says the Secretary must make the decision, and who is going to be carrying out the views of the Secretary in this field but the Bureau of Public Roads.

Mr. SULLIVAN. They approve it, but the actual moving of the tenants, and setting up of the housing facilities, will be taken care of by the comparable and proper State agency such as the New York City Housing Authority.

Mr. BALDWIN. This bill says the Secretary, and this is the bill we must talk about.

Mr. FALLON. Let me see if we cannot get back to regular procedure. Mr. Sullivan, we appreciate your statement here very much.

Mr. SCHERER. Let him sit there a while.

Mr. FALLON. We have him around the committee all the time, and he can advise the committee in executive session at any time, but we have witnesses here to testify from as far away as California, and we want to give them the opportunity to get away as soon as possible.

Mr. SCHERER. I cannot cross-examine Mr. Moses, but he is speaking for Mr. Moses. Can I ask Mr. Sullivan one question?

Mr. FALLON. Certainly.

Mr. SCHERER. Just one question. Is it not a fact, Mr. Sullivan, that this committee set up a special subcommittee and provided it with a staff which is going into a yearlong investigation under the chairmanship of brother Davis over here, for the sole purpose of determining whether or not these costs we are talking about in this bill should not be included in land taking in the future?

Mr. SULLIVAN. That is correct, Mr. Scherer.

Mr. SCHERER. All right, that is all. This provision is tramping on the Davis Committee toes.

Mr. DAVIS. That has bothered me some.

Mr. ROBISON. If the gentleman will yield, or the Chair will yield to me?

Mr. FALLON. We recognize you.

Mr. ROBISON. This special subcommittee, of which I have the distinction and honor to be ranking minority member under our good friend, Judge Davis, as I understand it, Mr. Chairman, was created because there is a hodgepodge of separate approaches now to this particular problem throughout the Federal bureaucracy, or at least that part of it that has any jurisdiction over land takings. Judge Davis has been very careful to adopt, and I congratulate him, a bipartisan and constructive approach to this problem. Our committee staff is only at this point getting into the fringes of this complicated area, and it would strike me as being unwise, insofar as our objectives are concerned as a special subcommittee, to legislate in this area, at least until our subcommittee has had a chance to review the entire subject, and this particular aspect of it; and, from that point on, to make recommendations perhaps to this subcommittee or the full committee and to the Congress with respect to legislation in this area.

Mr. SCHERER. I agree with the gentleman 100 percent.

Mr. DAVIS. Will the gentleman yield?

Mr. ROBISON. Yes, sir.

Mr. DAVIS. It is quite true we are trying to make a real, thorough, and bipartisan study of this whole question. We went to the Bureau of Public Roads and Administrator Whitton was kind enough to give us two very capable and able lawyers, and these two are our chief counsel and associate chief counsel. They are both from his department, and they are both very highly competent men. Our staff has been at work now for months, but we are not yet ready to come up with our conclusions overall, because the Bureau of the Budget recommended such a study. It came from the executive department, of course, and we have been proceeding along that line with extreme care, and are not rushing this thing because it is so involved. It involves not only municipal relations, but State relations and national relations. It is a big study, and this bothers me if we should add another piecemeal approach at this time when we are just now getting into a very thorough study of the whole question.

Mr. ROBISON. May I ask Mr. Whitton a question, Mr. Chairman?

Mr. FALLON. Mr. Robison.

Mr. ROBISON. This proposal in the chairman's bill would require the State to have a program before there would be any Federal monies. It is a question of reimbursement; is it not?

Mr. WHITTON. The program of tenant removal?

Mr. ROBISON. Yes.

Mr. WHITTON. I understand that some 500 cities now have planning groups that do work of this nature, and I would think that those groups could be most helpful in this program.

Mr. ROBISON. How many States now, if you know, reimburse for relocation costs?

Mr. WHITTON. Families, or utilities?

Mr. ROBISON. Let us start with families.

Mr. WHITTON. As far as I know, only New York City.

Mr. ROBISON. Only New York City?

Mr. WHITTON. Yes. Frank says there are several more.

Mr. ROBISON. Are there any States that have moved into the relocation cost field?

Mr. WHITTON. A few.

Mr. ROBISON. Do you know how many?

Mr. WHITTON. I don't know exactly but we can put it in the record, and the States.

Mr. ROBISON. If this is a Federal reimbursement proposition, then the various States would have to implement at the State legislature level such a program before the Federal portion of it would get going. Is that right?

Mr. WHITTON. Yes.

Mr. ROBISON. My point would be this, Mr. Chairman. I think there may well be merit in this proposal, but obviously it will take some time for this to get going at the State level. I do not see any reason why it is not a good thing that the proposal has been made and will now be considered throughout the Nation by the various State administrators and the State legislatures, but it does seem to me, and I say again, I think it would be wiser for us to utilize the purpose of the special subcommittee, and to go ahead with a study of this proposal and all of the other proposals and then make recommendations to this subcommittee and to the full committee.

Mr. SCHERER. Is my recollection correct that before you were Federal Highway Administrator, Mr. Whitton, and Brother Turner was here, that the Bureau of Public Roads not too long ago recommended to this committee against including these relocation costs for families? Isn't that the record of the Bureau of Public Roads? You made some of the same arguments against relocation costs as I am making here today.

Mr. TURNER. Yes, sir.

Mr. SCHERER. That is true, is it not?

Mr. TURNER. Yes.

Mr. FALLON. Mr. Whitton, can you tell me about how many States have relocation authority?

Mr. WHITTON. I cannot fully answer that, but I would like to have the privilege of answering it later.

(The information requested is as follows:)

States with statutory requirements respecting moving of personal property from rights-of-way for highways

State	Statute requires payment for—				Maximum payment per unit				Remarks
	Residence		Business		Residence		Business		
	Owner	Tenant	Owner	Tenant	Owner	Tenant	Owner	Tenant	
Connecticut.....	No.....	Yes.....	No.....	No.....	Actual cost.....	\$250.....	Actual cost.....	\$5,000 ¹	Minimum of 20 tenants required. When allowed as a taxable cost by court after a jury trial. Moving distance limited to 10 miles. \$25 per room allowed not to exceed \$200. Tenant must be under an unexpired written lease, full term of which is at least 3 years.
Maryland.....	Yes.....	Yes.....	Yes.....	Yes.....	Actual cost.....	\$200.....	Actual cost.....	\$500.....	
Minnesota.....	Yes.....	Yes.....	Yes.....	Yes.....	Actual cost.....	Actual cost.....	Reasonable expense.....	Actual cost.....	
Nebraska.....	Yes.....	Yes.....	Yes.....	Yes.....	Reasonable expense.....	Reasonable expense.....	Reasonable expense.....	Reasonable expense.....	
Tennessee.....	No.....	Yes.....	No.....	No.....	\$150.....	\$200.....	\$200.....	\$200.....	
Rhode Island.....	No.....	Yes.....	No.....	No.....	\$150.....	\$150.....	\$2,000.....	\$2,000.....	
Wisconsin.....	Yes.....	Yes.....	Yes.....	Yes.....					

1 \$2,500 when term of lease does not extend 3 years or more.

Source: Correspondence from States, and a check of the statutes. As of December 1961.

States which have made payment for costs of moving or incidental to the moving of personal property from highway right-of-way as result of constitutional interpretation, condemnation, or other legal order or proceeding

State	Jury award or court decision	Consti- tutional interpre- tation	Adminis- trative action of highway depart- ment	Moving personal property from—				Incidental costs and/or remarks
				Residence		Business		
				Owner	Tenant	Owner	Tenant	
Colorado.....	Yes.....	-----	-----	-----	-----	-----	-----	Payment for moving businesses; not identified as to owner or tenant. When landowner is required to involuntarily transport his personal property, and if such transport results in the damage to such property, such damages must be paid. Highway department has limited payments to owner's or tenant's business property.
Georgia.....	-----	Yes.....	-----	-----	Yes.....	-----	Yes.....	
Iowa.....	-----	-----	-----	-----	-----	-----	-----	Iowa Code, sec. 472.14, states: "In assessing the damages the owner or tenant will sustain the commissioners (appointed to assess damages), shall consider and make allowance for personal property which is damaged or destroyed or reduced in value." (See further note on sheet 2.)
Kansas.....	-----	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....	
Michigan.....	Yes.....	-----	No.....	No.....	Yes.....	Yes.....	Yes.....	Payments are for the costs of "the detach and reattach of fixtures." The costs for hauling, loading, and unloading, etc., are not paid for. Highway department to make a "moving allowance for the removal and loading of personal property." This does not include an allowance for transferring the property from 1 location to another.
New Mexico.....	Yes.....	-----	Yes.....	Yes.....	Yes.....	Yes.....	Yes.....	
New York (city).....	-----	-----	No.....	Yes.....	No.....	No.....	No.....	City acquires the real property on its own behalf and treats residential tenant relocation as a "liability incurred." In reimbursing the city, the department of public works recognizes expenditures made by the city in connection with certain payments for the costs of moving personal property.
Oklahoma.....	Yes.....	-----	No.....	No.....	Yes.....	Yes.....	Yes.....	
Utah.....	-----	-----	Yes.....	No.....	Yes.....	Yes.....	Yes.....	Payment for moving of fixtures is allowed. "When there are improvements—machinery—attached to the condemned realty and which are not to be condemned, compensation must be granted to cover the cost of removal in order to use them somewhere else, under the theory of a partial taking. In such case the value of what remains untaken is determined by its cost in place less cost of removal." There is no statutory provision against making such payments. In condemnation cases evidence as to the cost of moving personal property is admitted. No breakdown as to those costs is required in the jury verdict.
Virginia.....	Yes.....	-----	No.....	Yes.....	Yes.....	Yes.....	Yes.....	
District of Columbia.....	-----	-----	-----	-----	-----	-----	-----	
Puerto Rico.....	Yes.....	-----	-----	-----	-----	-----	-----	
Wyoming.....	Yes.....	-----	-----	-----	-----	-----	-----	

¹ Iowa: The State right-of-way division is of the opinion that the quoted sentence from the code is unconstitutional and have made no payments.

Source: Correspondence from States.

States with no statutory or other legal obligation to pay moving costs of personal property of either owner or tenant from property acquired for highway right-of-way

Alabama	Maine	Oregon
Arizona	Massachusetts	Pennsylvania
Arkansas	Mississippi	South Carolina
California	Missouri	South Dakota
Delaware	Montana	Texas
Florida	Nevada	Vermont
Idaho	New Hampshire	Washington
Illinois	New Jersey	West Virginia
Indiana	North Carolina	Alaska
Kentucky	North Dakota	Hawaii
Louisiana	Ohio	

Total, 32 States.

Source: Correspondence from States.

Mr. FALLON. I know Maryland has, and I am wondering how many others have the same thing. Would you proceed, Mr. Whitton, with your statement?

Mr. WHITTON. Yes, sir. We estimate that the Interstate alone will annually displace about 15,000 families and 1,500 businesses in the next 6 to 8 years. Under existing Federal-aid highway legislation, no provision is made for those displaced. The circumstances of these displacements, therefore, are generally less favorable than those occurring under the federally assisted urban renewal program, which displaces around 30,000 families and 4,000 businesses annually. When families are required to move, it is only fair and proper that they should have the opportunity of occupying housing that is decent, safe, sanitary, that is within their financial means, and that is in reasonably convenient locations. Moreover, they should be afforded assistance where necessary in order to minimize the hardships involved in finding a suitable dwelling in which to live.

We have made no detailed estimate on the cost of this proposed new relocation assistance program. Based on the limits of payment set by the bill, however, we estimate its cost would approximate \$50 million. We understand that the experience of the Housing and Home Finance Agency under the urban renewal program has resulted in an average relocation payment of about \$65 to families and about \$1,150 to businesses.

In his message on transportation, the President also recommended:

That the Federal-aid highway law be amended to permit more extensive use of Federal-aid secondary funds for extensions of the secondary system in urban areas.

Certain States are finding it increasingly difficult to improve the extensions of the Federal-aid secondary system into urban areas because of the higher priority for the use of available urban funds for the improvement of primary system extensions in these urban areas. This causes a particular hardship in the outlying sections of the larger urban areas where there is rapid suburban expansion and in smaller cities where the urban extensions of secondary routes do not carry a sufficiently large volume of traffic to merit high priority on available urban funds.

As a result, in many cases secondary routes are improved up to the urban limits, and urban funds are not available for their improvement within these urban limits to provide an integrated system of improved highways.

Section 6 of H.R. 11199 relating to extensions of the Federal-aid secondary system into urban areas, is designed to implement the foregoing recommendation. It would remove the present limitation on Federal-aid financing of such extensions, now under certain conditions restricted to urban funds.

This provision would permit increased flexibility in financing improvements on Federal-aid secondary routes within urban areas and, if enacted, would promote an integrated system of improvements in such areas. We believe that it would be particularly helpful in certain States that contain many individual and grouped urban areas, and where, in practice, the transfer of funds from primary or secondary apportionments to the class of urban funds for the purpose of improving extensions of secondary routes within urban areas has not been adequate under the provisions of section 104(c) of title 23, United States Code.

Another of the President's recommendations relates directly to highway projects in metropolitan areas.

A major objective of national transportation policy in the use of Federal assistance programs is to encourage and facilitate the development by States and local communities of balanced transportation systems consistent with long-range comprehensive development plans.

In order that this objective may be expeditiously carried out, we believe that the recommended modification of the basic Federal-aid highway legislation, as contained in section 7 of H.R. 11199, is highly desirable. The Secretary of Commerce would be granted authority to cooperate with the States in the development of long-range highway plans and programs for metropolitan areas which would form integral parts of a total transportation system for those areas.

Section 7 would require, as a condition to the approval of a highway program involving a metropolitan area, that State and local agencies undertake transportation planning on a continuing basis consistent with programs of comprehensive planning that are developed for the metropolitan area. By encouraging balanced transportation planning, we believe that the quality of general metropolitan planning would be improved.

Enactment of this provision is believed timely in view of the increased emphasis being given to long-range planning and programming by the Bureau of Public Roads and the State highway departments in connection with expenditures of Federal-aid highway funds. It would require the States and their metropolitan areas to adopt a process of planning already demonstrated by trial to be feasible and effective. The experience of the Bureau of Public Roads in the highway transportation field could be utilized to the advantage of all levels of government concerned.

Moreover, the proposed requirement would place the Federal-aid highway program in a position with respect to planning comparable to the urban transportation program of the Housing and Home Finance Agency, and thus strengthen the coordinated approach to urban transportation development already informally established by the two agencies.

Mr. SCHERER. May I interrupt? Where would the costs for this come from?

Mr. WHITTON. The costs for the highway part of it would come from our 1½-percent funds that are now available for that purpose.

Mr. SCHERER. Would there be any charges on the trust fund?

Mr. WHITTON. I do not anticipate that.

Mr. FALLON. How much does the present 1½-percent provision of present highway law provide for planning and research? What does that amount to?

Mr. WHITTON. That authorization provides about \$60 million with the matching money, annually.

Mr. FALLON. With the matching money?

Mr. WHITTON. Yes. The State puts up matching money.

Mr. FALLON. How much of this fund has been matched by the States?

Mr. WHITTON. I do not have that figure. We will provide it.

(The information requested is as follows:)

Federal-aid highway projects authorized for planning and research (Projects financed from 1½-percent funds authorized by sec. 307(c) of title 23, United States Code, Highways)

Fiscal year	Federal funds	State matching funds	Total cost
1960.....	\$36,866,148	\$12,722,190	\$49,588,338
1961.....	37,390,118	13,512,243	50,902,361
1962 through Mar. 31, 1962.....	30,458,827	11,127,761	41,586,588

Mr. SCHERER. Do you use all of that now?

Mr. WHITTON. No, sir. Not for planning.

Mr. FALLON. Would it be necessary for this extra one-half of 1 percent? Would there not be sufficient funds in the 1½-percent funds now?

Mr. WHITTON. I think the extra one-half percent we are recommending later on here is for research only, and I do not think we are doing enough research. That is a personal opinion, shared with some others, that we are not doing enough research. We are spending a tremendous lot of money for highways, and I think we ought to be finding out to the best of our ability the best way to build the highways, and I think it takes more expenditure in research money to do that.

Mr. FALLON. As I understand you, Mr. Whitton, you do not use all of the research money now?

Mr. WHITTON. No, sir. The States have the privilege now of putting some of that back into the construction fund and using it for construction. That is their privilege. In this bill we are suggesting that it be made mandatory to use the one-half percent fund and this additional 1½ percent for highway planning and research. We know some States are doing more than their proportionate share of the research and planning. We think that all of the States ought to contribute proportionally to this effort.

Mr. SCHERER. We are doing plenty of highway planning and research. What you say we are not doing is in connection with the proposed mass transit systems.

Mr. WHITTON. That would be our proportionate share of the proposed mass transit systems. We would not be paying any particular part of the cost of planning for a fixed rail type of transit system, but the bus type and rubber tire type of transit is part of the highways, and we ought to plan for that.

Mr. SCHERER. I thought our research programs were very good though.

Mr. WHITTON. I think they are too. I just think they ought to be better.

Mr. SCHERER. We had it for 2 years out in Illinois.

Mr. WHITTON. Yes, sir. That was a tremendous job and a wonderful job, but there are other areas we ought to be getting into, and I think we should.

Mr. SCHERER. I think that the only areas we are deficient in, you mean, is the relationship that highway relocations might bear to proposed transit systems.

Mr. WHITTON. Yes. That is what I am talking about in that connection.

Mr. SCHERER. Do you think that would cause delays? Look what happened here in Washington.

Mr. WHITTON. No, we are not calling for this until July 1, 1965, as the suggested deadline date; and between now and then I would think that the cities and States could certainly get started on their planning to such an extent that we could approve projects. In fact, many many cities now have plans, and they need to activate them and bring them up to date, but I don't think there is anything in this provision that would delay the program.

Mr. SCHERER. This would not necessitate a holding up of highway construction until these plans have matured, would it?

Mr. WHITTON. No.

Mr. SCHERER. It has done that in the District of Columbia, has it not?

Mr. WHITTON. I think the District of Columbia officials are going ahead with obligating their money reasonably well along with the rest of the States.

Mr. SCHERER. Didn't we, by resolution, actually delay highway planning and construction until this mass transit system—

Mr. WHITTON. In this northwest quadrant. Yes. The Congress did, but we are working somewhere else.

Mr. FALLON. That did not come out of this committee, but out of the District Committee.

Mr. WHITTON. Yes, sir.

Mr. FALLON. Would it be possible, Mr. Whitton, if these funds are set up for research on mass transportation—

Mr. WHITTON. No. All transportation is what we are talking about.

Mr. FALLON. What we would do is include mass transportation.

Mr. WHITTON. We would try to get the HHFA people to put in some funds from another source, and consult with them as we are doing in many areas.

Mr. FALLON. The authority in location would not be put in the hands of people who represented the mass transportation authority?

Mr. WHITTON. The authority would remain in the Secretary of Commerce. Authority for the location of highways. We have that in this bill.

Mr. FALLON. I know in my city, fixed transportation studies on buses have been going on since 1940, and they have had many studies, and very expensive studies, but they seem to be in worse shape now than they were back in 1940. So lots of money has been spent on

research for mass transportation in all of our big cities, and I am just wondering if this is not just another way for them to get a hand into this bill and continue their studies.

Mr. WHITTON. No, I don't think so, Mr. Chairman. I think this is a way we can work together and make a balanced study which will result in a benefit to all transportation.

Mr. SCHERER. I said 1976 before when we were thinking about including this new provision on relocation of families. With this section I think I am going to move it ahead to 1980 as the date of completion.

Mr. FALLON. Go right ahead, Mr. Whitton.

Mr. WHITTON. Its enactment would in no way delay the current Federal-aid highway program. Reasonable time would be allowed for the States and local communities to establish the continuing planning process that would be required and to produce the plans to which their highway systems would conform. The cooperative working arrangements undertaken by the Bureau of Public Roads with States and localities in the area of transportation planning will permit the Federal guidance and leadership necessary to achieve the objective of sound and uniform transportation planning in metropolitan areas.

Mr. SCHERER. May I interrupt? I hate to do this, but this is so important. It would mean eventually, would it not, that you couldn't get approval for a Federal-aid highway through a municipality until that municipality conformed its mass transportation routes to what the Bureau of Public Roads or the Federal Government decided? Does it not mean that eventually?

Mr. WHITTON. I do not think so, Mr. Scherer. I think it would mean we would work out a plan for transportation in the city that would cover the bus transportation, and there are not too many cities—

Mr. SCHERER. Let me interrupt. If the city does not follow through with a plan the Federal Government approved for its bus and other rapid transit systems, they would not be able to eventually get any Federal-aid highway money, would they?

Mr. WHITTON. No, sir; I don't think that is true.

Mr. SCHERER. Well, I do, as I read the law. Go ahead.

Mr. WHITTON. Thank you. The President has referred in his transportation message to another important phase of coordinated transportation planning for metropolitan areas through the use of funds made available under both Federal highway and housing legislation. He has recommended—

that the Federal-aid highway law be amended to increase the percentage of Federal funds available to the States for research and planning.

Provisions of existing law regarding the use of Federal-aid highway funds apportioned to the States for planning and research purposes would be revised significantly under section 8 of H.R. 11199. Generally, the amount of such funds for highway research would be increased, all highway planning and research funds would be matched by the States and, if not so used, would lapse.

At present, under section 307(c) of title 23, United States Code, not to exceed 1½ percent of all Federal-aid funds apportioned to the States for any fiscal year may be used upon the request of the State highway department, with the approval of the Secretary of Commerce, for certain highway planning and research projects. Although

it has been the policy of the Bureau of Public Roads to encourage the States to match such funds, the law now provides that such funds are available with or without State matching funds.

We believe that the language defining the scope of highway research and planning projects which may be undertaken pursuant to section 307(c) is sufficiently flexible to cover any reasonably foreseeable highway planning or research project needed in connection with the Federal-aid highway program. However, the Bureau of Public Roads and the Department of Commerce have had under consideration for some time the need for expanding the dollar volume of highway research activities undertaken by or through the State highway departments with the aid of Federal funds. We have recognized the importance of highway planning and research in our recent reorganization by creating an Office of Planning as well as an Office of Research within the Bureau of Public Roads.

In order to stimulate additional highway research activities in the Federal-State cooperative area, an additional one-half of 1 percent would be made available for highway research purposes from funds apportioned to the States for the A-B-C program. Interstate funds would be involved only with respect to the 1½ percent allocation but not the additional one-half of 1 percent. This additional one-half of 1 percent, together with State matching funds, would amount to almost \$10 million annually. This sum would be in addition to the present 1½ percent which is currently being used for both highway planning and highway research.

It is also recommended that the present law be amended to require that these funds, both the 1½ percent now permitted under existing law and the proposed additional one-half of 1 percent, be matched by the States in accordance with the applicable State matching requirements of section 120 of title 23, United States Code; that is, funds deducted from Interstate System apportionments would be matched generally on a 90-10 basis and A-B-C funds on a 50-50 basis. An exception to this matching requirement may be made where the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

As an additional incentive toward use of these funds for planning and research purposes, the proposed legislation provides that planning and research funds derived from funds apportioned for the A-B-C program shall lapse in the same manner as construction funds if not obligated for the purposes of section 307(c). Any moneys derived from interstate funds, however, would be reapportioned for planning and research purposes as provided under 23 U.S.C. 118(b) for construction funds.

The Bureau of Public Roads and the Department of Commerce urge that the Congress favorably consider the enactment of H.R. 11199. Its enactment would be in accord with the program of the President, and it would further the objectives of the administration in the field of highway transportation, particularly those phases bearing on urban highway transportation problems.

With the permission of the committee, I should like to cover some matters of broad significance to our program that I have referred to only briefly at the outset of this statement.

Now, Mr. Chairman, if I may I would like to jump through these pages that are ahead. On page 13 I would like to read the first paragraph.

We are pleased to advise you again 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 \$12.484 billion and expenditures have totaled \$12.283 billion. On January 1, 1962, the balance in the highway trust fund was \$201 million.

The status of improvement of the Interstate System as of December 31, 1961, is shown on the attached map and summarized by States in the attached table 1.

A total of 12,296 miles of the Interstate System has now been improved and open to traffic, as shown in figure 1, representing an increase of 1,856 miles during the past year. This total mileage improved and open to traffic includes 7,722 miles improved with interstate funds, 2,271 miles improved with other public funds, and 2,303 miles of toll roads incorporated in the system as authorized by the 1956 legislation.

Now, I would like to go to page 14 and read the third paragraph.

We have now reached almost the one-third point in authorizations for completion of the Interstate System. As shown in table 2 covering work authorized through December 31, 1961, preliminary engineering work has been authorized covering 54 percent of the total program. About 48 percent of the right-of-way acquisition work has been authorized. Contracts have been advertised on 27 percent of the work. In total, the work authorized to date represents 31 percent of the total cost of the Interstate System as developed in the 1961 estimate.

Then I would like to turn to page 17.

Mr. SCHERER. Could I stop you there, Mr. Whitton? You say that 12,296 miles of the Interstate System have been opened.

Mr. WHITTON. Are now being used.

Mr. SCHERER. You mean opened to traffic; is that right?

Mr. WHITTON. Yes, sir.

Mr. SCHERER. What portion of that still does not meet Interstate System standards and has to be brought up?

Mr. WHITTON. About half of it. And 2,000 miles of it are on the toll roads.

Mr. SCHERER. Where would the cost of that leave you?

Mr. WHITTON. It will be done before the end of the interstate program. It will be brought up to standard.

Mr. SCHERER. But that cost is in now?

Mr. WHITTON. That cost is in the estimate.

Mr. SCHERER. All right.

Mr. WHITTON. On page 17, the first paragraph.

The Federal-aid highway program is being advanced at the maximum level that can be supported from revenues accruing to the highway trust fund. The 1963 fiscal year apportionments made last August included the A-B-C apportionment of \$925 million and interstate apportionment of \$2.4 billion as authorized by the 1961 act.

Scheduling of obligations continues to be necessary in order that the trust fund balance will be adequate to reimburse the States promptly for work done.

Now I would like to turn to page 20, in the middle of the page there, the table right above it shows our actual cost as compared with our

estimated cost. Our actual cost now is 99.9 percent of our estimate, which is really good.

Then on the next page is a map which shows the progress of the Interstate System, and at the bottom of that page, page 21, is a bar graph giving you those figures I have just read.

Then I would like to turn to page 32 and read a portion of that, beginning with the second paragraph. That has to do with the administrative controls exercised by the Bureau of Public Roads.

In cooperation with the Department of Justice, the Bureau of Public Roads has prepared proposed legislation recently submitted to the Congress by the Department of Commerce and introduced as H.R. 10822 which recognizes this increased Federal interest. Its purpose is to assist in meeting the problems of the irregularities which have occurred in the highway program. These irregularities involved only a very small percentage of total Federal-aid projects; however, we do not and will not overlook their seriousness. The Bureau of Public Roads has instituted effective administrative controls, which I will discuss in a moment, over Federal-aid highway projects, with a view toward preventing such irregularities. Nevertheless, we believe that it is necessary and desirable to provide Federal law enforcement agencies with appropriate authority to act when necessary and to provide penalties under Federal law for frauds and other offenses committed by both public officers or employees and private individuals.

Almost 5 years ago, the Bureau established its Project Examination Division, for purposes of review of both Bureau and State operations. This Division, which was initially composed of a very few persons now numbers some 30 professional people, including trained investigators, and has been instrumental in turning to light a number of questionable practices.

I wish to discuss with you the administrative actions that Public Roads has undertaken to meet the problems of fraud and of other improprieties in connection with the highway program.

Many of these problems have occurred in the right-of-way field. Malfeasance in particular States has received considerable publicity within the last 18 months. To correct these situations and to prevent recurrence, we are providing specialized training and guidance for Bureau and State personnel assigned to right-of-way activities. Area seminars are regularly convened to bring these Federal and State employees together to discuss Bureau requirements and problems of concern to both levels of government.

Mr. FALLON. May I interrupt? What you are giving us now in the appendix is information for the committee.

Mr. WHITTON. Yes, sir.

Mr. FALLON. And it does not pertain to the legislation that we have before us?

Mr. WHITTON. No.

Mr. FALLON. I was wondering if it would be convenient for you to come back at another time after the Easter recess and brief us on the accomplishments.

Mr. WHITTON. Yes, sir. I will be glad to, Mr. Chairman, but my point is this—

Mr. FALLON. I think the committee would like to have this information, but unfortunately we are limited as far as time is concerned.

We have other witnesses here, so I think if the members can confine their questions to the legislation that is before us, I think we can get along more rapidly and it would be to everybody's advantage.

Mr. WHITTON. That will be very satisfactory.

Mr. FALLON. I have just one question I would like to ask you, and that goes back to the authorization and appropriations for the Interstate System for the next 2 years, especially the acceleration of the \$25 million as you recommended and the administration's recommendation of \$25 million for 2 years. My bill increases it \$25 million the first year and \$50 million the second. I did that for two reasons: I thought we had the obligation to the Members who supported us in this legislation year after year, and the majority of the Members of Congress do not have an Interstate System road in their districts. The things they spend money on is improvement of roads for the A-B-C system.

In addition to that we have some legislation here from the administration saying that there are a number of soft spots throughout the country, not so much in the urban areas but in the rural areas, and we know that a big amount of A-B-C system goes into every congressional district. It goes into every city and county. This is an advantage to the smaller contractors. Many of our contractors do not have enough capital to bid on the Interstate System contracts, because those contracts are larger and their organizations have to be larger or they do not even qualify.

This does two things. It pleases the Members who do not have an Interstate System road in their district, but who have supported the bills and legislation in the past, and also it helps to make work for many of the small contractors throughout the country who cannot bid on the other systems.

I was hoping, knowing your experience in the roadbuilding program in a great big State where they try to help every segment of the State for several reasons—one is economy and another might be a reason which we are not talking about today—we hoped to get your approval for increasing the A B C \$75 million over 2 years rather than \$50 million.

Are there any other questions of Mr. Whitton on my right?

Mr. EDMONDSON. Mr. Chairman, I have had an opportunity to read Mr. Whitton's statement and I am particularly interested in his comments about the training program which is underway in the Bureau, and the results which they are already accomplishing with that training department. I want to congratulate him upon the emphasis which he has been placing on that phase of activity of the Bureau of Public Roads. I do not know whether he has had an opportunity as yet to reach any conclusions regarding the proposal which seven members of this subcommittee have so far joined in sponsoring to enlarge that training concept and get a national highway academy started under his able direction, but if he has any conclusions as yet on it I would certainly be interested in hearing them.

Mr. WHITTON. Mr. Edmondson, I have not studied it very carefully, but I do have an opinion. I am, of course, completely in accord with the idea of training, and I think it needs to be carried out to the fullest extent possible. However, I do not know that I am quite in accord with the academy idea. The States are doing a

tremendous job and getting ready to do a tremendous job on that, I think. They have done a lot of work and many of them are trying to expand the work which they have done.

Personally I would like to go along and see if they cannot get the job done in the States with our help, rather than to establish a formal academy at this time. There are many people involved. There are probably 30,000 or 40,000 people involved in this training program, and I believe we can get a better job done at home with the State universities and available universities, and with our help where they want it. I would like to try that. That is what I think right today.

Mr. EDMONDSON. That is what we have been trying for about 15 years, isn't it?

Mr. WHITTON. Yes, sir. Well, I believe we are making progress.

Mr. EDMONDSON. Thank you, sir.

Mr. FALLON. Any other questions? Mr. Scherer.

Mr. SCHERER. I want to say that I would not want anybody to feel that the type of questions I have asked this morning is in any way indicative, Mr. Whitton, of any criticism of your administration of the highway program. I think you have done an outstanding job since you have been Highway Administrator.

Mr. WHITTON. Thank you.

Mr. SCHERER. And I approve it 1,000 percent. What I am trying to do is to prevent Congress from passing legislation which would throw roadblocks in your way and prevent you from completing this program on time.

Mr. WHITTON. Mr. Scherer, it is hard for me to express my real appreciation of this committee and its members and the fine work that they have done in making possible the road program. You can be sure that we will be guided by your judgment. We are presenting our opinions.

Mr. BALDWIN. Mr. Whitton, in this discussion which you had a moment ago with Mr. Fallon, as to the relative merits of the approach which his bill used, which provided \$950 million the first year and \$975 million the second year, and the approach in H.R. 11191 which keeps the \$950 million both years, could you give us your estimate? This is somewhat dependent on how rapidly the trust fund is increasing year by year, depending on the additional sales of gasoline. We have already a bill for the Interstate System program specifying how much is to be made available for the year, that would be comparable to this year. Do you anticipate that there will be sufficient funds coming into the trust fund during the 2 years provided for in this bill to provide for full authorizations for the Federal Interstate System highway program, and also to provide for the \$950 million each year?

Mr. WHITTON. There are sufficient funds, they tell me, but it is very tight to handle the authorization.

Mr. BALDWIN. Let me ask you: If it were increased to \$975 million the second year, would there still be sufficient funds, or would there be a doubt?

Mr. WHITTON. I think the estimated revenues would about do it. You remember right now I said we foresee and, of course, you recognize how far we can foresee, that there will be a balance at the end of it of somewhat over \$100 million.

Mr. BALDWIN. You are talking about at the end of the whole 15 years.

Mr. WHITTON. It is not 15, but to 1972. Yes. Then if we use the \$75 million, as one bill would suggest, we would theoretically have a balance of about \$100 million. So that is too close, really, to make positive statements one way or another as I see it. Certainly there are pluses on both sides of that.

Mr. SCHERER. If you followed Mr. Moses' recommendation, though, and paid for removal costs to the extent he recommended in his testimony we would not come out, would we?

Mr. WHITTON. Well, that would be \$50 million additional cost.

Mr. FALLON. Let me suggest this, Mr. Whitton. If more money is put into the A B C, there are more matching funds made available, which actually increases the amount, that is, increasing the A B C on a 50-50 basis of matching would actually increase or put more money into the roadbuilding program than we send money out on a 90-10 basis.

Mr. WHITTON. Yes, sir. That is correct.

Mr. FALLON. So that is another thought I had in mind. We are actually spending more money for roads, even though no more money comes out of the trust fund. Is that right?

Mr. WHITTON. Yes, sir.

Mr. FALLON. Are there any more questions?

Mr. ROBISON. Mr. Whitton, if I remind you I am from New York, you can probably guess what I am going to ask you. We have reached the one-third point in the construction of the Interstate System, at least partly because a substantial number of miles of preexisting toll and free roads have been incorporated into the system. My question is, Has there been any change in the Department's view toward the perplexing problem of reimbursement for these roads?

Mr. WHITTON. No, sir. We think that reimbursement should occur, if it does, after the Interstate System has been completed.

Mr. ROBISON. Thank you.

Mr. FALLON. Are there any other questions?

Mr. WHITTON. May I say one further thing?

Mr. FALLON. Yes.

Mr. WHITTON. The work we have done to date—and this is the big plus of improvement work—saved 2,000 lives we think, last year in 1961; and this committee made that possible. Thank you for the opportunity.

Mr. FALLON. Mr. Whitton, I want to thank you and Mr. Turner for coming up here this morning. As always your testimony is very beneficial to the committee. In behalf of the committee I want to thank you again, and you, too, Mr. Turner.

Mr. TURNER. Thank you.

Mr. WHITTON. Thank you.

Mr. FALLON. We have before us our next witness, the representative from the Department of Agriculture, Mr. Arthur W. Greeley. Mr. Greeley, what section of the bill do you confine your testimony to?

(Two letters, April 20 including two tables and May 7, will be found beginning on p. 223.)

STATEMENT OF ARTHUR W. GREELEY, ASSISTANT CHIEF, FOREST SERVICE, ACCOMPANIED BY REYNOLDS G. FLORANCE, DIRECTOR, DIVISION OF LEGISLATIVE LIAISON, DEPARTMENT OF AGRICULTURE

Mr. GREELEY. Mr. Chairman, we will talk to a section which deals with the authorization for forest development roads and trails, section 2, part (3). Mr. Chairman, I have with me Mr. Reynolds G. Florance, who is the Director of our Division of Legislative Liaison, and with your permission I would like to have him sit with me.

Mr. FALLON. We are delighted to have him.

Mr. SCHERER. What page?

Mr. GREELEY. I have before me H.R. 11199.

Mr. SCHERER. Mr. Buckley's bill.

Mr. GREELEY. The forest development roads and trails appears on page 2, line 17, and in other bills it will be at the comparable place at about the same page and same line.

Mr. FALLON. That increases the amount of authorization from—

Mr. GREELEY. The present authorization, Mr. Fallon, is \$40 million.

Mr. FALLON. And that increases it for 1963, \$10 million?

Mr. GREELEY. Yes, sir.

Mr. FALLON. In 1964 it goes to \$70 million?

Mr. GREELEY. Yes, sir.

Mr. FALLON. And in 1965 it is \$85 million; is that correct?

Mr. GREELEY. Yes, sir.

Mr. FALLON. From \$40 million in each case?

Mr. GREELEY. That is correct.

Mr. Chairman, may I also insert that a report from the Department of Agriculture has been approved and made available this morning to members of the committee?

Mr. Chairman and committee members, I appreciate this opportunity to appear before you regarding H.R. 9725 and H.R. 11199 and also a third bill, H.R. 9848.

These bills would authorize appropriations for the fiscal years 1964-65 and for the construction of certain highways in accordance with title 23 of the United States Code. H.R. 11199 would also authorize additional appropriations for forest development roads and trails for fiscal year 1963.

These bills are of interest to the Department of Agriculture because they would provide authorizations for both of the ground transportation systems which serve the national forests. One of these is the forest highway system; the other is the forest development road and trail system. Both systems are essential for developing and obtaining the maximum practicable yield and use of the products and services of these forests on a continuing basis in accordance with the Multiple Use-Sustained Yield Act of June 12, 1960 (Public Law 86-517).

THE NATIONAL FOREST SYSTEM

The 154 national forests and 18 national grasslands in the national forest system consist of 186 million acres of Federal lands and waters located in 39 States and the Commonwealth of Puerto Rico. These lands yield water, timber, forage, recreation services, fish, big game,

other wildlife, and minerals. They include the most important watershed lands in the West and the headwater lands of many important rivers in the East.

Western agriculture and industry are heavily dependent on water flowing from national forest watersheds. They are the principal source of water for 1,800 municipalities in the West. These include major metropolitan areas such as Los Angeles, Phoenix, Portland, Salt Lake City, San Francisco, and Seattle. In the East these watersheds provide high-quality water supplies to many communities and industries. They also help regulate streamflow and reduce flood potentials on many rivers and streams.

The national forests contain 16 percent of the commercial forest lands and about 34 percent of the live sawtimber inventory in the 50 States of the Nation.

In fiscal year 1961 the cut of timber in the national forests was 8.4 billion board feet valued at \$98.4 million. This timber cut had a consumer value of about \$2 billion. Hundreds of thousands of people gain their livelihood processing timber grown in the national forests. In fiscal year 1961 the harvest from the national forests provided over 400,000 man-years of work.

The national forests are the habitat of over one-third of the big-game population of the country. In addition, the forests provide a large amount of small-game hunting. There are about 81,000 miles of fishing streams and 3 million acres of natural lakes and impounded waters in the national forests.

The national forests are of increasing importance for outdoor recreation as witnessed by the steady rise in the number of persons visiting them for recreation each year. In 1950 there were 27.4 million recreation visits to the national forests; in 1960 there were 92.6 million; and in 1961 there were 102 million such recreation visits.

The 60 million acres of rangelands in the national forests provide forage for livestock owned by 20,000 ranchers. Over one-fifth of the sheep and one-eighth of the cattle in the Western States graze national forest range for a portion of each year.

In fiscal year 1961 the total income to the U.S. Treasury from national forest revenues was \$99.6 million.

FOREST HIGHWAYS

Forest highways are parts of Federal-aid, State, county, and other public highways in and adjacent to the national forests. They are of primary importance to the States, counties, and communities for intrastate and interstate traffic and transport. These highways also provide primary access to and outlet from forest development roads and trails. They are heavily used by persons visiting the national forests for recreation and other purposes. Most of the products of the forests move over these highways en route to mill or market.

The forest highway system is administered by the Secretary of Commerce through the Bureau of Public Roads. According to the latest Report on Operation, Forest Highway System, 1960, U.S. Department of Commerce, there are 24,623.3 miles of roads in the designated forest highway system. The same report gave an estimate of \$2.5 billion as the cost of the additional work needed on the system as of June 30, 1960.

FOREST DEVELOPMENT ROADS AND TRAILS

Forest development roads and trails provide access to national forest lands for the protection, development, and multiple-use management of the forests, including resources of which communities in and near the forests are dependent. This system of roads and trails is administered by the Secretary of Agriculture through the Forest Service.

As of June 30, 1961, there were 179,213 miles of roads and 106,577 miles of trails on record in the forest development system. It is estimated that when completely installed this system will consist of 542,250 miles of access roads and that the trail network would be reduced to 80,000 miles. In 1958 it was estimated that the cost of installing the eventual system would be about \$6.7 billion. About 80 percent of the roads and trails that will eventually be needed should be installed by the year 2000 to assure meeting the annual demand for use of the wood, water, forage, wildlife, and recreation resources of the national forests that will exist on a continuing basis at that time.

An adequate system of forest development roads and trails is essential now to the proper development and beneficial use of the national forests and their resources.

The presence or lack of access by road or trail has a direct and controlling influence on most phases of forest management and utilization such as—

(a) The protection of National Forest resources from fire, insects, and disease;

(b) The use of recreation, hunting, and fishing areas;

(c) The volume of timber that can be marketed, especially for small sales, and the support of dependent communities and small business enterprises; and

(d) The level of salvage cutting in dead and dying timber stands and the opportunity to promptly salvage losses resulting from fire, windstorm, insects, and disease.

The existence of a road system permits an intensity of management and use for all national forest purposes that is not otherwise possible. Furthermore, roads that give access to national forest timber are investments which pay their own way over a period of years. Use of these roads by the public results in substantial benefits to the localities the roads serve.

The long-range objective of this Department is to provide and maintain a system of forest development roads and trails which will adequately service the national forest system at the levels needed to meet expected needs and optimum production of products and services. For the year 2000 we anticipate this will mean servicing (a) the protection requirements of watersheds producing at least 200 million acre-feet of water each year; (b) recreation and wildlife resources used each year by 635 million visitors; (c) a timber resource supporting an annual cut of 21 billion board feet; and (d) 60 million acres of rangelands. At this level of performance these federally owned properties will return an estimated \$400 million annually to the U.S. Treasury in the form of receipts.

In the 1961 messages on natural resources and American agriculture, President Kennedy indicated, among other things, a need to rejuvenate the Forest Service's long-range program for the development and

improvement of the national forests. A substantial reduction was called for in losses from forest insects and diseases. Intensified fire protection was urged. The Secretary of Agriculture responded to the President's urging that forest development on public lands be accelerated by preparing a revised development program for the national forests. This 10-year program, geared to getting the national forest system ready to meet the demands that will be placed upon it by the year 2000, was transmitted by the President to the Congress in September 1961. At that time the President emphasized the need for more consideration for roads and trails and stated:

I am confident that this program will be carefully reviewed by the appropriate congressional committees and that significant progress can be made in this important field.

The President's conservation message to the Congress of March 1, 1962, cited the need to accelerate the development of national forest multiple-purpose roads and trails to implement the 10-year development program.

Service at the levels of production and utilization visualized in this development program will eventually require the construction of about 379,000 miles of new roads and 6,000 miles of new trails, along with the reconstruction to higher standards of about 105,000 miles of roads and 10,500 miles of trails. About 26,500 miles of existing trails. About 26,500 miles of existing trails will be replaced in service by the construction of new roads. About 80 percent of these long-range requirements should be met by the year 2000.

Program proposals for forest development roads and trails for the 10-year period 1963-72 are as follows:

1. Complete the construction and reconstruction of about 79,400 miles of multiple-purpose roads and 8,000 miles of trails. This constitutes about 17 percent of the long-range requirements for these facilities.

Approximately 40 percent of the value of roads for access to timber planned for this period will be provided by purchasers of national forest timber, but paid for by the Government through adjustment of stumpage prices.

2. Provide maintenance to full standards on the 268,900 miles of existing access roads and trails and on the new roads and trails that will be constructed during the period.

The estimated cost of the road and trail construction proposed in this 10-year program is approximately \$1.7 billion, of which about \$1.2 billion should be financed with appropriated funds. The balance of about \$0.5 billion would constitute work performed by purchasers of national forest stumpage and would be financed by appropriate allowances in the appraisals of timber offered for sale. During the same decade about \$242 million will be required for maintenance of the system. For this work about \$182 million appropriated funds will be needed. The balance—\$60 million—represents the value of maintenance work that will be required of purchasers of national forest timber during the period.

Because an adequate system of roads and trails is essential for the other phases of the 10-year development program, orderly execution of the rest of the development program for the national forests requires substantial investments in road construction for each year of the program beginning with fiscal year 1963.

In the 1962 message on the conservation program, the President recommended approval of legislation to accelerate the development of national forest multiple-purpose roads and trails. The level of authorizations which I will now discuss and recommend are those to which the President had reference in the message.

The authorization provided in the Federal Highway Act of 1960 for forest development roads and trails for fiscal year 1963 falls critically below the level of financing now seen as needed. In the fiscal year 1963 budget, which is now being acted on by the Congress, the road portion of the development program for the national forests is financed at 68 percent, while the program as a whole, exclusive of research, is being financed at about 84.5 percent of the planned level. Consequently, in order to catch up, there is urgent need for the additional fiscal year 1963 authorization that is requested here.

For the fiscal years 1964 and 1965 authorizations of \$70 and \$85 million, respectively, will be necessary to keep the program on schedule and provide the access needed to harvest the timber cut projected for these years and to meet critical needs for fire and recreation roads.

Mr. SCHERER. Do I understand, Witness, that you are asking for an increase from \$33 million which you now get—

Mr. GREELEY. The \$33 million, Mr. Scherer, is the authorization for the forest highways.

Mr. SCHERER. That is right.

Mr. GREELEY. And this testimony goes to the authorization for the forest development roads. We are making no recommendation with reference to the forest highways, since this is a function of the Department of Commerce.

Mr. SCHERER. You get \$40 million now?

Mr. GREELEY. Yes.

Mr. SCHERER. And the Fallon bill provides for \$40 million, and you are asking for that amount to be increased to \$70 million for 1964, and \$85 million for 1965?

Mr. GREELEY. That is correct.

Mr. SCHERER. And this money does not come out of the trust fund, but out of the general fund?

Mr. GREELEY. That is correct.

Mr. SCHERER. You know that is going to be borrowed money, don't you, because we are broke?

Mr. GREELEY. This is an activity in which the funds that are expended constitute an investment, with a major portion returned through the value of stumpage sold.

Mr. SCHERER. I just wanted to know if you understand we would have to borrow this increased amount, because we are going to run a deficit of about \$8 billion this year.

Mr. GREELEY. I guess if I understand figures that large, sir, I do understand the point you are making.

We therefore recommend the enactment of H.R. 11199 insofar as it relates to the authorizations for forest development roads and trails.

BENEFITS THAT WILL ACCRUE FROM THE DEVELOPMENT PROGRAM FOR THE NATIONAL FORESTS

Under this 10-year development program, management and utilization of national forest resources will keep pace with population growth and national economic development and needs.

Many of the benefits from the development program for the 10-year period will carry over, or will be unrealized, until after the end of the period. Investments in such measures as roadbuilding, tree planting, range reseeding, water conservation, recreation, and other improvements proposed in the initial period are geared not only to short-term needs, but also to the longer range objectives of meeting expected demands on the national forest system during the remainder of the century.

Benefits include direct financial revenues, secondary benefits, and intangible values.

Direct financial revenues from the national forest system will rise to about \$230 million annually by the time the 10-year program is completed, or nearly double current receipts. These receipts will then continue to exceed annual operating expenses of the program. On the current basis of fees for uses and products, over 90 percent of revenues will continue to come from the sale of standing timber. By the year 2000 the annual worth of the national forest timber sales should reach \$350 million, based on 1960 prices.

Payments from national forest revenues for county schools and roads will increase correspondingly.

The capital value of the timber, forage, and lands of the national forest system will have increased by about \$2 billion as a result of the 10-year program.

Secondary benefits include such things as numbers of people employed directly on the 10-year program work and the harvesting of national forest timber and other products and the value added to those products by manufacture, distribution, and marketing. Another very important benefit from the immediate implementation of the program would be the acceleration of resource development in areas of labor surplus and low rural income. Of the 186 million acres of land under Forest Service administration, approximately 80 million acres are in or adjacent to present areas of labor surplus and low rural incomes. The planned work and the resultant resource development would contribute materially to accelerating the economy of these areas.

In timber alone, it is estimated that for every dollar of national forest stumpage sold, the end products will be worth about \$20 by the time they reach the ultimate consumer. This means that the annual sale of 13 billion board-feet of sawtimber expected to be reached by the end of the 10-year period will have a total consumer value of over \$4 billion. The estimated employment directly associated with the utilization of timber harvested from the national forests will amount to about 800,000 man-years annually by 1972. This will be about twice the current level.

It is estimated that recreational use of the national forest system will reach 195 million visits by 1972, in contrast to the 92.5 million visits in 1960, and a probable 635 million by 2000. The recreationists making these 195 million visits will put into trade channels substantial amounts of money for sporting equipment, transportation, licenses, lodging, and other items.

Most of the truly intangible values of the national forests are experienced by those millions of people who use the national forests for reasons other than commercial utilization of resources. No measure of value expresses the real worth of the relaxation, pleasure, rest, spiritual satisfaction, and improvement in health derived from recreation use of the national forests.

Nor can there be any complete assessment in dollars of the lives saved, damage prevented, and resources preserved by improved accessibility, suppression of insect and disease epidemics, fires prevented or controlled when small, and reduction and prevention of floods. All of these are benefits of the conservation program proposed for the national forests.

Substantial progress has been made. The foundation for progress is in place. This 10-year development program builds on that foundation. The result will be full development of these extensive and valuable public properties.

In closing I want to reiterate the point that access is prerequisite to obtaining these benefits. The authorizations which we have recommended are thus the keystone of the rest of the national forest program. Since road maintenance must take first priority, any reduction below the levels of authorization recommended will necessitate a corresponding reduction in funds programed for construction.

Mr. Chairman, I thank you for the opportunity to make this statement.

Mr. FALLON. Thank you. Are there any questions? Mr. Baldwin.

Mr. BALDWIN. The last time we passed the A-B-C road program, 2 years ago, we authorized the sum of \$40 million for the 2 years involved. How much was appropriated for fiscal year 1962, the fiscal year we are now in, for that purpose?

Mr. GREELEY. The authorization for fiscal year 1962 was \$35 million.

Mr. BALDWIN. How much was appropriated?

Mr. GREELEY. All of that was appropriated, and in addition to that the Appropriations Committee authorized us to draw on advance contract authorizations to the extent of \$2½ million.

Mr. BALDWIN. And that would be \$37½ million?

Mr. GREELEY. That was available for fiscal 1962.

Mr. BALDWIN. For fiscal year 1963 how much is in the budget for forest development roads and trails?

Mr. GREELEY. The same amount. We have asked for the balance of our authorization which is \$37½ million.

Mr. BALDWIN. So you have deducted the \$2½ million?

Mr. GREELEY. That is correct.

Mr. BALDWIN. And made an advance withdrawal again?

Mr. GREELEY. That is right. We used, with the concurrence of the Appropriations Committee, \$2½ million of the fiscal year 1963 authorization as an advance contract authority in fiscal 1962, so the program level for the 2 years is the same.

Mr. BALDWIN. If we were to do what you recommend; that is, increase the authorization for fiscal year 1963 by an additional \$10 million, bringing it up to \$50 million, do you then contemplate you would come in with a supplemental appropriation request for that additional \$10 million?

Mr. GREELEY. Yes, sir. That is what we contemplate.

Mr. BALDWIN. For fiscal year 1963?

Mr. GREELEY. That is correct, Mr. Baldwin.

Mr. BALDWIN. I have somewhat the same general feeling Mr. Scherer has as to these increases. I have been in favor of an increase generally from year to year in the forest development roads and trails program. As I recall it, we actually adopted an amendment 2 years

ago for an increase over the bill we actually had before us at the start, but I have considerable doubt as to an increase of this magnitude in the program. These funds come out of the General Treasury, and although they might come back eventually, they are nevertheless charged to the fiscal year that they are appropriated in.

Mr. GREELEY. Oh, that is true. Yes. But, Mr. Baldwin, I do again want to point out that on the order of between 75 and 80 percent of the road funds which are spent for construction of these forest development roads in the national forest go into areas which develop timber which can be made available for sale.

Mr. BALDWIN. I understand that, Mr. Greeley, but the thing I am a little bit concerned about is this: I am from the State of California and I can assure you that there is no great shortage of timber on the market in California, or anywhere in the United States, at the present time. Unfortunately, the timber market is pretty well broken down in the sense that there is not an adequate demand for the amount of timber coming on the market.

Mr. GREELEY. At the very same time, Mr. Baldwin, we are receiving a large amount of pressure from the forest industry people to get ahead with the development of federally financed roads so that additional areas, which are not now opened up to roads, can be made available in the immediate future years.

Mr. BALDWIN. I understand you get the pressure, but I would like to ask this question: The timber market today is a depressed market. As I say, there is enough timber coming on the market and it is more than the available demand. Therefore, the prices are depressed. If we are going to build all of these additional roads and bring more timber on the market from the national forests, is this not going to depress the market even further if the demand remains the same?

Mr. SCHERER. Then we will subsidize the lumber people.

Mr. GREELEY. Mr. Baldwin, I would think if that were a serious problem the people in the forest industry who have been talking so vigorously to us about road problems would be urging that we not build more roads, and urging that we not put timber on the market for sale; but all of the pressures we are getting from the forest industry—and they are coming from all over the country, sir—are to make more timber available on the market. We are criticized, if anything, for failure to put up for sale the full amount of our allowable cut, rather than putting up too much timber for sale.

Mr. BALDWIN. I am sure that the gentleman, being a competent witness, is familiar with the law of supply and demand. If more timber comes on the market this year I do not see that the demand is necessarily going to be increased by that amount—it certainly has not been demonstrated in the last year or two in the timber market. We have had a depression in California in the timber market, and I am sure on the whole west coast in the last year or two, and if more timber comes from the national forest it will not only compete with timber from other sources, because a lot of timber on the west coast, of course, is owned by various lumber companies that owned property of their own. I am not necessarily convinced that there is such a demand for timber that we need to expand this at a greater rate. I think we should make some expansion in the funds, probably, but more than doubling it in 2 years time, as compared to the original authorization for fiscal year 1963, seems to be somewhat excessive to me.

Mr. GREELEY. Mr. Baldwin, one of the things we have critically needed in the management of the national forests has been ability to develop some lead time in the development of road plans, surveys, and construction so that our timber harvesting operations can be gotten on to a more orderly basis than has been the case through most of the past 15 years. We are soundly criticized, and I think with some merit, by units of the forest industry who depend primarily on the national forests. That is the segment of the industry which does not have supplies of its own. Because we have had too many examples of the national forests making an announcement of a list of sale proposals for the year and then failing during the course of the year to keep up with the announced sale program.

Mr. BALDWIN. That is not the fault of this committee, because our bills are passed sufficiently in advance so that the Forest Service knows what they are authorized to do. If there is fault, it is the fault of the administration of the program of the Forest Service.

Mr. GREELEY. It is one of the reasons why we are asking for an increase in the amount of road money available. Because part of our problem has been the pressing fact that we have not been able to move ahead with federally financed road construction to get the sale layouts and sale schedules a year or two, or preferably 3 years ahead in the lead time.

Mr. FALLON. Will the gentleman yield?

Mr. GREELEY. Yes.

Mr. FALLON. Mr. Greeley, I guess you know we have been progressively increasing the authorization for this category of roads, and since Mr. Johnson has been a member of the committee it has not lost momentum. I understand he has an amendment to either one of the bills, that we increase this. We realize from the testimony over the years that this is a necessary function and it should certainly be encouraged, but the thing that seems to worry me and the rest of the members is that the progress is a little fast for us to comprehend, although in your testimony I think you have fully justified an increase, but the question is as to what it should be.

Mr. SCHERER. Wasn't there an increase through your amendment last year, Mr. Johnson?

Mr. JOHNSON. Two years ago or a year ago.

Mr. SCHERER. But for the 2-year period you had an increase of what, by your amendment? Ten million dollars each year, was it not?

Mr. JOHNSON. About \$10 million.

Mr. FALLON. About \$10 million. This would require, of course, an increase in personnel and everything else along the line to accelerate the program in that length of time.

Mr. GREELEY. This, sir, is what we feel is necessary and what we would have to do.

Mr. FALLON. Mr. Greeley, how many States benefit by this authorization?

Mr. GREELEY. The national forests are located in 39 States, Mr. Fallon.

Mr. SCHERER. Do you have this type of road development in all of the States?

Mr. GREELEY. There would be some lengths of this type of road in the national forests in all of the 39 States.

Mr. FALLON. How are they apportioned?

Mr. GREELEY. There is no formula of apportionment. The law directs that the money be distributed on the basis of the need for development within these various national forests.

Mr. SCHERER. But three States get the most of the funds. Isn't that so?

Mr. GREELEY. Oregon, California—and I have to check on the third one.

Mr. FALLON. Do you have a schedule showing the amount that each State gets?

Mr. GREELEY. We can give you a schedule showing the amounts that would be included and go to the various States if the \$10 million increase for fiscal year 1963 were to be appropriated.

Mr. SCHERER. About three States get about 70 percent of this money.

Mr. GREELEY. Mr. Scherer, it would be Oregon and California, and I think the third State would be either Washington or Idaho.

Mr. SCHERER. Do those three get about 70 percent?

Mr. GREELEY. I do not think it runs 70 percent. It would run over half. I would have to provide those figures for the record, but I cannot put my fingers on it at the moment.

Mr. FALLON. How much of this program is done by the Bureau of Public Roads?

Mr. GREELEY. The present arrangement is about \$3 or \$4 million of this is done by the Bureau of Public Roads at our request.

Mr. FALLON. Is this work handled by contract by you?

Mr. GREELEY. Yes, sir. In order to complete this picture I think I should also point out that in connection with the sale of national forest timber, of course, purchasers of that timber construct the roads that are necessary to get into the areas where the timber is located, and by and large these are roads on the national forest system, and the forest development roads system. The value of the work now being done by purchasers amounts to about \$45 million a year. The fact that the purchasers are making so much contribution to this program calls for quite a drawdown on our available funds, because the Forest Service does the engineering for that work and the Forest Service also finances the bulk of the permanent drainage, like culverts and bridges, so something like between \$14 and \$16 million a year of the funds available for the whole national forest road system is going into the amounts necessary to supplement this work on roads which is done by the purchasers of national forest timber.

Mr. FALLON. Thank you. Are there any other questions? Thank you very much, Mr. Greeley. I would like to ask unanimous consent of the committee at this point to insert in the record a letter from the Secretary of Agriculture, Orville L. Freeman, and I think it should probably precede your testimony.

Mr. GREELEY. If it could be arranged.

Mr. FALLON. If there is no objection. Thank you very much, Mr. Greeley.

Mr. GREELEY. Thank you very much, Mr. Chairman and members of the committee.

(The letter from Orville L. Freeman, Secretary of Agriculture, dated Apr. 17, 1962, is as follows:)

DEPARTMENT OF AGRICULTURE,
Washington, D.C., April 17, 1962.

HON. CHARLES A. BUCKLEY,
Chairman, Committee on Public Works,
House of Representatives.

DEAR MR. CHAIRMAN: This is in response to your requests of January 19 and January 25, 1962, for the views of this Department on H.R. 9725 and H.R. 9848, identical bills to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

We favor the objectives of these bills insofar as they affect the programs of this Department. We recommend, however, the enactment of the draft bill submitted by the Acting Secretary of Commerce and introduced as H.R. 11199.

All of these bills would authorize appropriations for the fiscal years 1964 and 1965 for various highways and roads and trails. H.R. 11199 would in addition authorize additional appropriations for forest development roads and trails for fiscal year 1963.

The bills would provide authorizations for forest highways. This Department is interested in the forest highway system since these roads provide primary access to and outlet from the forest development road and trail system. However, the Department of Commerce administers the forest highway system and appropriations for these highways are made to that Department.

The bills also would authorize appropriations for forest development roads and trails.

At the present time, forest development road and trail construction and maintenance are carried out with funds appropriated under title 23 of the United States Code, with the 10 percent of national forest receipts made available by section 501 of title 16 of the United States Code, and by purchasers of national forest timber with appropriate allowances therefor in timber appraisals.

An adequate system of forest development roads and trails connecting with forest highways or other highways is essential to proper management and beneficial use of national forest lands and their resources. The presence or absence of transportation facilities has a controlling influence on all phases of forest land management and resource utilization. This factor largely determines the volume of timber that can be marketed, the size, duration, and distribution of timber sales within working circles, and the level of salvage cuttings. It strongly influences the effectiveness of measures for protecting the forests from fire, insects, and diseases. It sets the level of use made of the recreation and wildlife resources of the forests.

Because management of the national forests depends so largely on an adequate system of development roads and trails, the development program for the national forests which President Kennedy submitted to the Congress on September 21, 1961, proposed for the 10-year period 1963-72 the construction and reconstruction of about 79,400 miles of multiple-purpose roads and 8,000 miles of trails. In his conservation message to the Congress on March 1, 1962, the President cited the need to accelerate the development of national multiple-purpose forest roads and trails to implement the 10-year development program.

The estimated amounts of appropriated funds that will be needed to finance the necessary road and trail construction and reconstruction for fiscal years 1964 and 1965 are considerably in excess of the amounts that would be authorized by H.R. 9725 and H.R. 9848. For the fiscal years 1964 and 1965 authorizations of \$70 and \$85 million respectively will be necessary to keep the program reasonably on schedule and provide the access needed to harvest the timber cut projected for these years and to meet critical needs for fire and recreation roads.

The authorization for forest development roads and trails for fiscal year 1963 provided in the Federal Highway Act of 1960 likewise falls below the level of financing needed to bring about full development and maximum utilization of the resources of the national forests. An additional \$10 million authorization is urgently needed to keep the roadbuilding program more nearly in pace with other developments and timber harvest operations planned and underway as part of the development program for the national forests.

Acceleration of the forest development road and trail program represents a wise investment of public money. Roads that give access to national forest timber will pay their way over a period of years through greater stumpage returns and

at the same time will facilitate expanded uses. Multiple-purpose roads to be used by the public will result in other substantial community benefits. The existence of a complete road system will permit an intensity of protection, management, and use that is not otherwise possible.

H.R. 11199 would provide urgently needed authorizations for forest development roads and trails for fiscal years 1963, 1964, and 1965.

The Bureau of the Budget advises that the enactment of this proposed legislation would be in accord with the President's program.

Sincerely yours,

ORVILLE L. FREEMAN.

Mr. FALLON. May the Chair say at this point that circumstances beyond our control have arisen and, as a result, we would like to make the following suggestion: We have some witnesses here today from the Department of the Interior. I understand that some of the gentlemen are from Washington, D.C. Also, we have a number of witnesses, all of whom are from out of the State, and they were supposed to come on this afternoon. I am wondering if it would be possible for the witnesses from the Department of the Interior to come back at another time after the Easter recess. If there is no objection, would somebody speak to that?

Mr. MANGAN. Yes. I am Martin P. Mangan, Assistant Commissioner, Bureau of Indian Affairs, here to present the Interior Department's position along with my colleagues. We are all from Washington here and will be available to the committee and will be glad to remain available.

Mr. FALLON. I am glad that you appreciate our problem. Thank you for coming, and the clerk will inform you when we have our next hearing after the Easter recess. With that the committee will recess until 2 o'clock, at which time we will hear from the American Association of State Highway Officials.

(Whereupon, as 12 m., the hearing was recessed until 2 p.m. of the same day.)

AFTERNOON SESSION

Mr. FALLON. Gentlemen, the Subcommittee on Roads of the Public Works Committee is meeting this afternoon for the continuation of hearings on H.R. 9725, H.R. 11199 and H.R. 9848. Our first witness this afternoon will be Mr. J. C. Womack, of California, president of the American Association of State Highway Officials. Come up, please, Mr. Womack.

STATEMENT OF J. C. WOMACK, PRESIDENT, AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS; ACCOMPANIED BY THE FOLLOWING MEMBERS OF THE LEGISLATIVE COMMITTEE: RALPH R. BARTLESMYER, OF ILLINOIS; D. C. GREER, OF TEXAS; W. A. BUGGE, OF WASHINGTON; AND D. H. BRAY, OF KENTUCKY

Mr. WOMACK. Mr. Chairman, the statement that I will read this afternoon was prepared by our legislative committee, and there are four members of that committee here, and with your permission I would like to introduce them.

Mr. FALLON. Yes. We would appreciate it.

Mr. WOMACK. Mr. Ralph R. Bartlesmeyer, of Illinois; Mr. D. C. Greer, of Texas; Mr. W. A. Bugge, of Washington; and Mr. D. H. Bray, of Kentucky.

Mr. FALLON. I might say, Mr. Womack, these gentlemen have appeared before the committee before and need no introduction. We are very happy they are here today. The committee appreciates it.

Mr. WOMACK. Thank you.

Mr. SCHERER. Are they all available for cross-examination?

Mr. FALLON. They are all available for cross-examination except Mr. Bugge. He has to catch a plane.

Mr. BALDWIN. Mr. Chairman.

Mr. BLATNIK. Mr. Baldwin.

Mr. BALDWIN. I would like to say on behalf of Congressman Johnson and Congressman McFall and myself, Mr. Womack, we are particularly pleased to have you come and appear before us, and we feel that our State has been honored by your selection as president of the American Association of State Highway Officials. We have great confidence in your ability to carry out your assignment in that capacity, with credit to our State.

Mr. WOMACK. Thank you very much.

Mr. FALLON. Since Mr. Johnson's name was mentioned he might want to say something at this point.

Mr. JOHNSON. In the interests of time, I think Mr. Womack knows my sentiments as far as he is concerned. He has done a very fine job in our State, and I am sure will do a very fine job as head of the association throughout the United States.

Mr. SCHERER. He certainly rates the esteem of this Member of Congress for the State of California.

Mr. FALLON. Mr. Womack, won't you come a little bit closer to the compliments?

Mr. WOMACK. We would like to have permission for Mr. Johnson, of our executive committee, to sit at the witness table with me.

Mr. FALLON. Well, we kind of expected that.

Mr. WOMACK. All right.

Mr. FALLON. Mr. Womack, my wife and I visited California on the occasion of the two conventions there, one of the Associated General Contractors in Los Angeles, and the American Road Builders in San Francisco. I want to tell you how much we appreciate the very fine welcome given by you and your department in California, and the special treatment that we received. I was shocked to find out this morning that the engineer who was assigned to us by you while we were in California died shortly after we left. I might say that he was a very intelligent and a very nice fellow. He did not look as though he was much past 40 years of age. Mr. Scherer and his wife visited at the same time and Mr. Scherer would like perhaps to comment with respect to the way he was treated by the Californians.

Mr. SCHERER. You have said it so well, all I can do is ditto your remarks.

Mr. GRAY. Mr. Chairman, before the witness proceeds, I too would like to associate myself with the remarks made by you. I wish to compliment Mr. Womack. I was the ranking majority member of the subcommittee that visited California last year in the districts of Mr. Baldwin, Mr. McFall, and Mr. Johnson. We had a wonderful time as well as gaining very valuable information concerning the road

program there. Mr. Womack was a very gracious host, and I do not want the occasion to pass without, on behalf of the committee, thanking him for the time and effort he expended on our behalf. Also I want to take this opportunity to say that our own chief engineer, Mr. Bartlesmeyer, of Illinois, is in the room today, and he is also doing a great job for the State of Illinois as the chief highway engineer.

Mr. WOMACK. Thank you.

Mr. BARTLESMEYER. Thank you.

Mr. WRIGHT. Mr. Chairman, may I also associate myself with these remarks of respect and appreciation, and with regret for not having been able to make that trip; but when you have a State highway system such as we have in Texas, directed by a man with the intelligence, integrity, and character that Mr. Greer has, you just hate to get out of the State.

Mr. FALLON. Mr. Womack, I assume we all have a copy of your statement.

Mr. WOMACK. Yes, Mr. Chairman.

Mr. FALLON. We will be happy to have you gentlemen proceed then with your statements.

Mr. WOMACK. Mr. Chairman and members of the committee, I am J. C. Womack, State highway engineer of California, and have the honor and privilege of speaking to you today for the State highway departments as president of the American Association of State Highway Officials.

We support H.R. 9725, and, in so doing, we are testifying on the basis of a policy statement that was developed and adopted at our last annual meeting in Denver, Colo., on October 8, 1961, by the chief administrative officers of the several State highway departments.

We follow this procedure in order that we may give you the collective thinking of the men who administer the State highway departments and in order that we can save the valuable time of your committee by eliminating the necessity of your having to hear many State witnesses.

The A-B-C Federal-aid highway program has been the vehicle through which this Nation has developed its highway system that has been so essential in developing our dynamic economy and our way of life.

Through the years, the A-B-C Federal-aid program has exerted a strong stabilizing influence over the highway functions of this country. It has been the means whereby the very valuable and productive Bureau of Public Roads-State highway department partnership has been developed, which has such a solid record of accomplishment in the public interest.

Although the interstate highway program is big and glamorous, and is necessary to handle the growing streams of major traffic, and is essential for an expanding economy, it is the A-B-C program that is the one that serves the most people direct and every day and may be termed the backbone of this Nation's highway network.

We are happy to see your committee continue hearings on the A-B-C programs biennially, as we believe that such procedure is essential to maintain a healthy highway interest in the Congress and to develop informed highway leaders on Capitol Hill.

We note that H.R. 9725 has been introduced without amendments. We are quick to see the logic in this plan, and we support it.

In support of H.R. 9725, we refer to certain sections of our 1962 official policy statement, and from it we point out the following:

That it is of the utmost importance that the highway construction programs of this Nation be kept in balance for the various Federal-aid systems involved.

That the present percentages for matching Interstate and A-B-C System programs should be continued.

That the A-B-C Federal-aid programs be continued with a \$25 million annual incremental increase each year until it reaches \$1 billion authorization per year. After that time, the matter should be further evaluated.

That the associations supports the current division of total authorized A-B-C funds of 45 percent of the Federal-aid primary system, 30 percent to the secondary Federal-aid system, and 25 percent to extensions of Federal-aid systems in urban areas, inasmuch as the 20-percent transfer provision of 104(c) of title 23, United States Code—Highways, gives sufficient flexibility to meet the needs of the individual States.

That the apportionments in the full amount of the congressional authorizations for all Federal domain roads should be made and utilized, and such funds should not come from the Federal highway trust fund.

At this point, we would like permission to insert into the record a copy of 1962 Official Policy Statement, which contains several items that you might give consideration to at some later time when the matter of changes in title 23, United States Code—Highways, might be appropriate.

Mr. FALLON. Without objection, it is so ordered.

(The document referred to is as follows:)

1962 POLICY STATEMENT OF THE AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS AS DEVELOPED AND ADOPTED BY THE CHIEF ADMINISTRATIVE OFFICERS OF THE STATE HIGHWAY DEPARTMENTS, MEETING IN DENVER, COLO., OCTOBER 8, 1961

1. That the State highway departments, working together and with the Federal Bureau of Public Roads, have been responsible for the major roadbuilding efforts of this Nation, and this proven partnership, that has given this country world leadership status in highway know-how, should continue to be utilized in the same manner as in the past in constructing present and future Federal-aid highway programs.

2. That the association should vigorously oppose any proposals that would require a certain type of organization and operation for a State highway department as a prerequisite for the State receiving Federal-aid highway funds inasmuch as all State highway departments are departments of sovereign State governments. The Federal-Aid Highway Act of 1916 required that the State highway organization be adequate for the purpose and proper safeguards now exist in Federal law to protect the Federal interests.

3. That upon the completion of a Federal-aid project, the road which belongs to the State and is maintained entirely at State expense should be policed, operated, and maintained completely by the State and without any Federal requirements other than those set out in sections 111 and 116, title 23, United States Code, Highways. The States have effective means of achieving the desired degree of uniformity in signing, marking, speed regulation, vehicle weight and size control, law enforcement, et cetera, to adequately serve the public interest and to make any nationalization in this area unnecessary.

4. That no Federal agencies or other groups, other than the Bureau of Public Roads, should have the approval power over Federal-aid highway projects initiated by the State highway departments. However, the State highway departments should develop their projects in close cooperation with other affected groups and agencies. To extend the area of project approval could invite controversy and delay the initiation of vitally needed highway improvements.

5. That the development of controlling highway design standards and highway signing and traffic control methods for the Federal-aid highway systems is engineering in nature and should never be established by legislation, but handled jointly by the State highway departments and the Bureau of Public Roads.

6. That it is of the utmost importance that the highway construction programs of this Nation be kept in balance for the various Federal-aid systems involved.

7. That the present percentages for matching Interstate and A-B-C System programs be continued and that strong opposition should be exerted against any proposed increases in the Federal percentage of participation, in light of the many demands made on State highway funds to furnish and maintain highways.

8. That the A-B-C Federal-aid road programs be continued with a \$25 million annual incremental increase each year until it reaches \$1 billion authorization per year. After that time, the matter should be further evaluated.

9. That the association supports the current division of total authorized A-B-C funds of 45 percent to the Federal-aid primary system, 30 percent to the secondary Federal-aid system, and 25 percent to extensions of Federal-aid systems in urban areas, inasmuch as the 20 percent transfer provision of 104(c) of title 23, United States Code, Highways, gives sufficient flexibility to meet the needs of the individual States.

10. It is recommended that funds apportioned for use on the Federal-aid secondary system be made available for use on projects located on Federal-aid secondary routes in urban areas.

11. That the association endorses the secondary road plan as set forth under section 117 in title 23, United States Code, Highways.

12. That adequate Federal financing for the current enlarged Federal-aid highway program be continued so that the expressed intent of the Congress, as outlined in section 101(b) of title 23, United States Code, Highways, that was the basis for the State highway departments and the highway industry organizing and enlarging to handle the program, will have meaning. All of the justifications that existed for the activation of the program in 1956 still exist and are even more apparent now than at that time, and any interruptions or delays in the completion of the interstate program must be avoided.

13. That the association vigorously oppose the use of any Federal highway trust fund moneys for any purpose other than now authorized by law.

14. The contract authority procedure created by the Federal-Aid Highway Act of 1922 which gives the State the right to initiate projects as soon as official apportionment is made should be restored and the reimbursement planning procedure which was installed as a temporary expediency should be eliminated.

15. That the apportionments in the full amount of the congressional authorizations for all Federal domain roads should be made and utilized, and such funds should not come from the Federal highway trust fund.

16. That the association endorses the Interstate System completion schedule as outlined in the Federal-Aid Highway Act of 1961, and reassures the Congress of the State highway departments' ability to efficiently construct the program within that time schedule, and warns of the adverse economic impact of interruptions, cutbacks or stretchouts in the program.

17. That the association endorses the periodic interstate estimates, as provided in section 104(b)(5) or title 23, United States Code, Highways, as the only equitable and proper basis for the apportioning of Federal funds to the several States to achieve simultaneous construction and completion of the Interstate System in all States to adequate standards.

18. That there should be no sacrifice in the standards currently adopted for and being applied to the Interstate System. The matter of design standard development should never become static but should be constantly reviewed through the State highway department-Bureau of Public Roads partnership processes.

19. That adding mileage to the Interstate Highway System at this time would delay the completion of interstate routes and any additions should be considered at a later time when a greater percentage of the currently authorized Interstate System is completed and at such time that proposed additions can be more accurately evaluated. At that time Congress should reappraise the Nation's highway needs to determine if it is in the national interest to extend the program.

20. That the urban portions of the Interstate System are an integral and very important part of the system, which should be planned and developed by the State highway departments in close cooperation with local government units and interested Federal agencies. The importance of the urban sections of the Interstate Systems cannot be over emphasized, and an eventual enormous increase in cost could be created by a failure to recognize the problem at this time.

21. That the development and adoption of a comprehensive urban transportation plan should not be a requirement for the approval of a Federal-aid highway project in an urban area, but State highway departments should lend all possible assistance in the development of such plans in order that effective coordination of highway and urban development may be attained.

22. That there should be no change in the law prohibiting the establishment of commercial services on the right-of-way of the Interstate Highway System as set forth in section 111, title 23, United States Code, Highways.

23. That there should be no extension of section 113 of title 23, United States Code, Highways, whereby the Federal determination of wage rates would be extended to projects on road systems other than the interstate, nor should there be legislation to provide additional Federal control or jurisdiction over wages paid on projects located on the Interstate System.

24. That the State highway departments recommend that Federal legislation be provided whereby Federal-aid highway funds may be used for the construction of connections to existing or future toll roads, where such toll roads and the required connections are on any one of the Federal-aid highway systems.

25. That appropriate action, by legislation if necessary, be taken to facilitate the acquisition of adequate rights-of-way for highway purposes over Federal lands. Present difficulties, particularly with regard to military facilities and land subject to withdrawal for power purposes, seriously delay and materially increase the cost of needed projects.

26. That recent actions on requests by the State highway departments for reasonable and economically desirable vertical and horizontal navigation clearances at highway crossings of navigable streams indicate a continuance of the previously recognized necessity for legislation, making it mandatory that, except in special cases where the requirements of national defense govern, such clearances be determined on the basis of the minimal cost to all forms of transportation. The American Association of State Highway Officials therefore reiterates its support of and reemphasizes the need for early introduction and passage of Federal legislation on this subject similar to that included in the 1960 legislative program of the Department of Commerce.

27. That the State highway department have approval of any and all proposals and plans designed to set aside elements of any highway, under its jurisdiction, for the purpose of installing rail transit or for the exclusive use of a special type of motor transport and such special use should be considered only after comprehensive studies show it to be the most economical and efficient arrangement possible and that it is in the public interest and will not create a safety hazard.

28. That legislation should not require alternate bids on pavement types and/or minor drainage structure types but the determination of type should properly be determined by competent professional judgment based on the controlling engineering and economic considerations.

Mr. WOMACK. We also ask permission of the committee to insert into the record another policy statement developed and adopted at our last annual meeting, having to do with highways and their proper role in a national transportation policy.

Mr. FALLON. Without objection, it is so ordered.

(The document referred to is as follows:)

AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS, POLICY STATEMENT ON THE SUBJECT OF HIGHWAYS IN A NATIONAL TRANSPORTATION POLICY AS DEVELOPED AND ADOPTED BY THE CHIEF ADMINISTRATIVE OFFICERS OF THE STATE HIGHWAY DEPARTMENTS ASSEMBLED IN DENVER, COLO., OCTOBER 8, 1961

PREFACE

Highways and motor vehicles have furnished the people of the United States the freedom and flexibility of personal transportation that has won unprecedented acceptance and use of the motor vehicle and in so doing has strengthened the economy of this country and has given it transportation advantages no other country enjoys.

The objective of formulating a national transportation policy is a worthy one if interpreted in the right way. Restrictions upon the normal healthy growth of all forms of transportation should be removed. Competition within each mode of transportation should be encouraged; and this is true also of competition between modes of transportation, for the interest of the consumer must be protected. Government policy in regulation and ratemaking should be reexamined and revised to meet the needs of the present-day and future American economy.

A national transportation policy should not be restrictive or monolithic in character. It should be adaptable to the needs of different situations and subject to a continual revision in response to changing demands. Above all, it should

be a program that meets the desires of the American people. It should promote freedom of action, freedom and flexibility of movement of people and goods, allowing the individual to choose his mode of transportation.

The contributions made by the highway program to the national defense and the expanding economy are most significant. Highways afford the flexibility in transportation that is essential for the national and civil defense and for protecting population in case of natural disasters. This was recently demonstrated when highways were utilized to move large numbers of people out of the path of Hurricane Carla. The dynamic urbanization that is in progress, the decentralization of industry, and the Nation's ability to promptly move Armed Forces makes it essential that the Federal Government continuously review the matter and should be reflected in the amount of money made available for highways.

Stature of the highway transportation industry

Nearly 74 million motor vehicles were registered in the calendar year 1960, of which 62 million were automobiles and 12 million were trucks and buses. The 71 million vehicles registered in 1959 traveled 700 billion vehicle-miles. The travel in 1960 is estimated at about 720 billion. If we take the familiar figure of 10 cents per mile for the average cost of operating an automobile and remember that trucks and buses cost more than that to operate, it becomes evident that the money spent in motor vehicle transportation now amounts to more than \$80 billion a year. This is a sizable share of the American economy, and it is indicative of the intimate involvement of the motor vehicle in American life.

Motor vehicles in 1960 paid \$8.1 billion in taxes, fees, and tolls for the building, maintenance, and operation of highways. Of this, \$2.8 billion was paid in Federal gasoline taxes and other trust fund revenues. A total of \$5.1 billion was paid to State governments and the remainder to local governments. In addition, motor vehicles were taxed by both Federal and State Governments for general fund or specific nonhighway purposes.

Highway transportation differs from other modes in its all-pervasive nature. Although the greater part of motor vehicle travel occurs on primary roads and streets, in its totality it is distributed over 3 million miles of rural highways and more than 400,000 miles of urban highways and streets. Because of the widespread character of motor vehicle ownership and use, embracing the vast majority of American families, national transportation policies should be framed so as to protect the interests of motor vehicle owners and users. In the United States the individual considers the convenience and the privilege of personal transportation, without any special deterrents being invoked to restrict its use as an inviolate and precious right and he will resist any effort to make a change.

Objectives of highway planning and policy

Throughout the period of growth and maturity of highway transportation, it has been the objective of highway engineers and administrators to build, maintain, and operate highways in accordance with the indicated desires of the American people. Through the mechanism of the Federal-State relationship, a systematic program of highway planning was established during the 1930's and remains continuously in effect in all States and the National Government. The golden rule in all of the planning work is to find out what people want and to make plans to satisfy those wants. This means not only counting the traffic on the highways and classifying it as to type and weight composition, but also making origin-destination studies to determine where traffic originates and what destination it seeks. It is not by chance that the lines depicting the actual or potential traffic between zones of origin and zones of destination are called "desire lines." They do, indeed, interpret the desires of the people; and in that sense the origin-destination study is a ballot of the people's demands. These studies have proved a very powerful tool of planning research, particularly in urban areas. By correlating the results of home interview origin-destination studies with surveys of land use, the relationships between land uses and traffic demands are established. In planning for the future, the probable trends of land use are forecast and traffic assignments are made in accordance with these relationships.

In some transportation planning, particularly in urban areas, there seems to be a tendency to give the people not what they want but what the planners decide they should have. The standard raised is that of efficiency in transportation. A true measure of efficiency, however, means taking into account the quality of the service provided. The great economic growth of this country did not come through a policy of frugality. Indeed, it is just the opposite. The demand of the American public for something beyond the efficient minimum is a characteristic difference between our country and others. Transportation is a product to be

bought and used as is any other product, and the American public will select its transportation on the basis of what it wants and can afford, not what may be regarded as the most efficient.

Rural and intercity transportation

Of the 700 billion vehicle-miles traveled by motor vehicles in 1959, 376 billion were traveled on rural highways. Automobiles accounted for 295 billion vehicle-miles, buses for a little more than 2 billion, and trucks and combinations for 79 billion. The rural travel was divided between 280 billion on main rural roads and 96 billion on local roads. Competition with other modes of transportation is virtually limited to intercity traffic on main highways. In the matter of passenger transportation, the private automobile is dominant, accounting for about 90 percent of all intercity passenger-miles. Common carrier passenger transportation is shared among the railroads, buses, and airlines. Interstate Commerce Commission estimates for 1959 indicate that 32 billion passenger-miles were traveled by air, 22 billion by rail, and 20 billion by motorbus in that year.

Of the 12 million trucks registered in the United States, the great bulk are small single-unit trucks and other trucks and combinations engaged in local service, and thus not offering any competition to other modes of transportation. There are, however, several hundred thousand vehicles, mostly tractor-semitrailer and truck-trailer combinations engaged in over-the-road freight transportation. Here again, the domain of competition does not extend over all operations, since each mode has its own sphere of advantageous operating conditions. Trucks enjoy the greatest advantage in short haul and in the transport of highly rated commodities. That there is a very active sphere of competition between the trucks and the railroads is evidenced by recent changes in the relative volumes of intercity freight ton-miles accounted for by the two modes of transportation. Thus, in 1950, trucks carried 173 billion ton-miles, or 16.3 percent of the total of 1,063 billion ton-miles carried in that year. Railways carried 597 billion ton-miles, or 55.2 percent of the total. The Interstate Commerce Commission estimate for 1959 indicates that the railroads carried 46 percent of the intercity freight ton-miles of 1,313 billion, whereas 21 percent was carried on the highways.

A significant development in the last 20 years has been the growth of private or do-it-yourself transportation as distinguished from for-hire carrier transportation. Estimates indicate that private transportation has absorbed about one-third of all intercity ton-miles of freight. Both railway and highway common carriers have objected because of the fact that this mode of freight transportation is exempted from regulation, since a manufacturer or other business enterprise is free to transport its own goods in its own vehicles. There is no question that some abuses of this privilege occur and that the exemption of farm products and other commodities from Federal regulation occasions other irregularities. It must be recognized, however, that the objective of regulation is to foster the growth of quick, convenient, and flexible transportation, primarily in the interest of the consuming public.

Urban transportation

The field of urban transportation presents some difficult problems in the formulation of public policy. The decline in importance of public transit and the financial difficulties of numerous transit companies, combined with the mounting congestion of motor vehicle traffic in many large cities, poses the question of what shall be the relative roles of public transit and the private automobile in future urban planning. There has been a tendency among some who have approached this subject to go all out for the provision of rail-transit facilities and to advocate restrictive or punitive measures against the private automobile. It would seem much more wise to adhere to the ideal of giving the people what they want. Application of this ideal would result in a reasonable revival and redevelopment of rapid transit where it is truly in demand, together with the orderly development of urban freeway and arterial systems to channel traffic into and around the central business district according to the indicated desires of motor vehicle users.

The availability of flexible personal transportation has changed the place of public transportation in urban life and affected its income base to a degree that often seems to be overlooked. Public transportation in urban areas today has become largely a peak-hour, home-to-work movement. Today, to a far lesser degree, does the family go by streetcar on Sunday to a beach or other resort. The family seldom takes a streetcar to the downtown theater. The housewife uses transit only occasionally for shopping. Even the length of the week has changed for the transit company for there is now little home-to-work travel on Saturday. The continuing urbanization and its influence creates the need for flexibility of transportation that can only be served by the motor vehicle.

The base period business on which transit formerly could depend has largely gone, not for economic reasons but because of uniserval availability of a newer and better form of travel. And transit to survive must do so on its peak-hour business, with all the attendant difficulties of traffic congestion, the 40-hour week for labor, and other factors. Remedies often proposed, such as reduced taxes and less stringent regulation, would seem to be only palliatives, not real solutions to the basic problems resulting from the changed and changing pattern of American life.

The enthusiasm for the restoration of rapid transit to its former eminence has given rise to the assertion, in national advertising and elsewhere, that it takes 20 lanes of freeway to move as many people in an hour as can be moved on 1 rapid transit track. This assertion is based on the fact that a maximum of 40,000 persons can be moved in an hour on 1 track. The 20-lane comparison is based on 2,000 vehicles per lane per hour, with only 1 occupant each. Note that the transit line is assumed to realize its utmost capacity, an occurrence of the greatest rarity. On the other hand, the highway vehicles are assumed to be all automobiles, with only the driver occupying each one. If we fill the automobile, not to capacity, but with 5 persons each, we need only 4 lanes to accommodate 40,000 persons per hour. Finally, suppose we were to transport the 40,000 people in buses. Then, at 55 per bus, some 700 buses would be required, well under the capacity of a single freeway lane. As evidence of realism in this figure, 20,000 to 25,000 persons per hour are regularly moved in buses in a single lane through the Lincoln Tunnel with ample room for many private cars as well.

The above example illustrates the fact that bold assertion should not be substituted for careful examination of the facts in planning for the future of transportation in our great cities. The results of home interview of origin-destination studies deserve particular scrutiny. For example, in the analysis of a large number of these studies in cities ranging from less than 50,000 to more than 1 million, it was found that the percentage of total internal trips that had either origin or destination in the central business district varied from 21.6 in cities of less than 50,000 to 5.6 in cities of more than 1 million.

Rapid transit, which is geared to serve traffic in and out of the central business district, cannot cope with the need for movement in all directions throughout a metropolitan area. In New Orleans studies show that 92,000 vehicles enter the central business district daily between 8 a.m. and 6 p.m., of which 72,000 or 78 percent only pass through the downtown going to some other area in the city. Obviously this condition calls for inner and outer belt freeways and not primarily for rail transit.

It is to be expected that the analysis of origin-destination studies and other planning data will result in a realistic accommodation between the provision of adequate motor-vehicle transportation and a reasonable development of rail transit facilities. In this connection the potentialities of buses as a means of mass transit should be thoroughly explored. The urban planning of the future should be bold and farseeing, but it should be based on fact, not on fancy.

Any effort to stifle a form of transportation in order to preserve the central business district of a major urban area as the major retailing and service dispensing area of the region should be carefully weighed as to its ultimate effect on the overall economy and as to whether or not it is actually in the public interest. It may be that the modern function of the central business district is to undergo some change with retailing and services being adapted to a form of transportation desired by the public.

Success of Federal-State relationship

The continuing program of Federal aid for highways has been a part of national transportation policy since 1916. Under this program the strength and technical proficiency of the individual State highway departments have been fostered, and at the same time the national interest in a connected system of interstate, intercity, and intercounty highways has been promoted. By the passage of the Federal-Aid Highway Act of 1956, the Congress recognized the urgency of completing a modernized system of interstate highways, including urban connections, that would serve a substantial portion of the traffic to and from and through and around principal cities.

The States, in concert with the Bureau of Public Roads and other interested agencies, have moved to meet the challenge of the urban problem. The key to the situation is the integration of highway planning with other aspects of metropolitan area planning. The Federal Housing Act of 1961 has made possible closer cooperation between housing and highway agencies in urban transportation

planning; and planning funds authorized by the act may be used in combination with Federal Highway planning (1½ percent) funds to conduct urban transportation studies. The job, of course, must be done in each city and each city will present different problems. The numerous great metropolitan area studies, the Chicago area transportation study, the Los Angeles regional transportation study, the Penn-Jersey study in the Philadelphia-Camden area, the Atlanta study, the Baltimore-Washington study and the studies of the Tri-State area of Connecticut, New York, and New Jersey are all evidence of enlightened Federal-State-community planning and integration of the transportation plan with a regional plan of development.

On the national scale, one of the early efforts to improve planning techniques and develop State-local cooperation was made by the National Committee on Urban Transportation. This committee, financed primarily by the Bureau of Public Roads and the Automotive Safety Foundation, did its job well, and having done it, closed its doors last July.

The AMA-AASHO Joint Committee on Highways is and will continue to be an effective force in bringing about closer State-local relations. This committee has sponsored several State and regional meetings at which State and local officials were brought together to consider the cooperative approach to urban transportation planning, and it joined with the Urban Research Committee of the Highway Research Board in sponsoring the Sagamore Conference.

The Sagamore Conference itself was a milestone along the road to better mutual understanding between State and local groups. Here a group of highway officials, mayors, city managers, city planners, businessmen, economists, and other specialists hammered out a statement of individual and mutual responsibilities of State and local officials that, if conscientiously met, must surely produce a sound, mutually acceptable plan for transportation best suited to future community and highway user needs.

These efforts on a broad scale are but one facet of the developing cooperative approach. They spell out principles and suggest specific means and methods, but it remains for the States themselves, working with the local communities, to bring about the actual cooperation that is required not only in planning but in executive of the plan.

POLICY POSITION

1. There is no evidence that other forms of transportation would significantly reduce the need for more adequate and safe highways, inasmuch as our highway facilities are still behind our actual needs, so therefore any national transportation policy should not reduce or limit Federal aid or the Federal interest in the highway program in the foreseeable future.
2. The State highway departments, working together with the Federal Bureau of Public Roads for 45 years, have been responsible for the major roadbuilding efforts of this Nation and for the high degree of technological development that has occurred. This proven partnership should continue to be utilized in the same manner as in the past in constructing future Federal aid highway programs.
3. Federal aid funds for highways should continue to be apportioned to the State governments and not directly to any local levels of governments.
4. The coordination of planning and initiation of Federal-aid highway projects should continue to be the responsibility of the State highway authority.
5. The major responsibility of studying highway needs and planning the Nation's major highway transportation facilities must remain the responsibility of the several States.
6. The official State highway authority in the State should continue to be the Federal Government's contact with the State on highway matters.
7. The State governments should continue to have jurisdiction over the State highways within the scope of existing Federal and State laws regardless of the source of funds used for construction.
8. The program item, location, plans, specifications, estimates, and construction, as well as the quality of maintenance of projects constructed as Federal-aid projects, should continue to be approved by the Bureau of Public Roads to protect the Federal interest in the project.
9. No Federal agency or group, other than the Bureau of Public Roads, should have approval power over Federal-aid projects carried on by the State highway departments.
10. The development of highway design standards, highway signing, and traffic control methods, and bridge clearances, are engineering and/or economic in nature and should not be established by Federal legislation but should be evolved jointly by the State highway departments and the Bureau of Public Roads.

11. It is essential that the highway construction programs of this Nation be kept in balance for the various Federal aid systems involved and for the urban and rural sections of those systems. However, with changing economic and environmental influences, there should be a constant review as to what constitutes a balanced program.

12. The present basic percentages for matching interstate and A-B-C Federal aid highway programs should be continued in light of the many demands made of State highway funds to furnish and maintain highways.

13. Federal aid to the States on the A-B-C systems should continue because of the national interest in having a nationwide system of adequate roads and in keeping all facets of the national economy healthy.

14. Federal highway trust fund moneys should not be expended for any other purpose than now authorized by law. They should not be used to subsidize or to create other forms of transportation.

15. The contract authority procedure, created by the Federal-Aid Highway Act of 1922, which gives the State the right to initiate projects as soon as an official apportionment is made, should be restored and the reimbursement planning procedure, which was installed as a temporary expedient, should be eliminated.

16. The Interstate System should be completed on schedule without interruptions, or stretchouts, and no section of the system as planned should be deferred in an effort to try out the effectiveness of an alternate type of transportation.

17. The periodic interstate estimates, as provided by section 104(b)(5) of title 23, United States Code, Highways, is the equitable and proper basis for apportioning interstate Federal funds to the several States to achieve simultaneous construction and completion of the Interstate System to proper standards.

18. Adding mileage to the Interstate System at this time would result in the delay of the completion of interstate routes, and any additions should be considered at a later time when a greater percentage of the currently authorized Interstate System is completed and at such time that proposed additions can be more accurately evaluated. At that time Congress could reappraise the Nation's highway needs to determine if it is in the national interest to extend the program.

19. Urban portions of the Interstate System constitute an integral and essential part of the system and should be planned and developed by the State highway departments as urban extensions and connections of the overall highway network and should be done in close cooperation with the appropriate local governments and interested Federal agencies.

20. The development of scientific relationships between transportation, land use, and urban development should be explored and these interactions established in order that highways in urban areas may be properly planned to serve the greatest need. Such planning should be areawide in extent and utilize administrative and technical assistance of the local government in helping the State highway official arrive at the final decision.

21. In major urban areas, where both the highways and rail transit facilities are required, they should not be considered competitive, but should be planned to complement each other into an efficient integrated system for transporting people and goods, with the desires of the public being the major guide.

22. It is recognized that in many locations, space over and under major highways must be utilized, but, in so doing, State permission should be required in addition to meeting Federal requirements, inasmuch as the maintenance and operation of Federal-aid projects is a wholly State responsibility.

23. Artificial deterrents or negative incentives to automotive travel in urban areas should not be instituted inasmuch as natural phenomena and economic factors will properly control the problem, if and when it becomes a problem.

24. The matter of sizes and weights for commercial vehicles allowed on highways should be determined by the several States having jurisdiction over the highways, and every effort should be made through interstate compacts or other appropriate arrangements to eliminate any nonuniformity that would agitate for nationalization of the highway system.

The sizes and weights of vehicles allowed on highways should be based on engineering and economic studies that will protect the investment of highways, yet give the maximum use of highways and the several State governments should be encouraged to adopt uniform weight and size regulations as recommended by AASHO policy.

Each State should have the authority to temporarily reduce the maximum allowable weight and size dimension of vehicles permitted to operate over its highways during spring thaw period or other similar periods in order to protect the highway investment.

25. That the State highway department have approval of any and all proposals and plans designed to set aside elements of any highway, under its jurisdiction, for the purpose of installing rail transit or for the exclusive use of a special type of motor transport and such special use should be considered only after comprehensive studies show it to be the most economical and efficient arrangement possible and that it is in the public interest and will not create a safety hazard.

Mr. WOMACK. This transportation policy also was developed by the heads of the several State highway departments to emphasize the importance of highways in our economy and in our way of life, and not to promote highways, but to present some facts in the public interest that we believe were not receiving complete consideration by the several groups studying the matter of overall transportation policies.

It was also developed and presented to counteract some misinformation regarding highways and other forms of transportation.

We are certain that interest in all phases of transportation will become more important and attract more attention on the part of the Congress as time goes on, and as the dynamic urbanization of this Nation continues to present transportation and related problems.

We have also heard of proposals that Federal-aid highway projects in urban areas be subject to approval by the Administrator of the Housing and Home Finance Agency. We are definitely opposed to such an arrangement. We believe that a single Federal agency should have the contact with the States and that divided authority would only provide controversy and serious delays in completing the highway program.

We believe that if the interests of any other Federal agency are involved in the program, then those problems should be handled by interagency liaison at the Federal level.

Our position is the same on H.R. 10453, which would provide for the approval of Federal-aid highway projects by the Secretary of the Interior.

It was not possible for the American Association of State Highway Officials to appear at the recent hearings on H.R. 10113 and H.R. 10318 and related bills to establish standby authority for a Federal emergency public works program. We would, however, at this time like to make a brief comment with regard to our attitude on such a program.

We would oppose such standby authority having the right to take Federal-aid highway funds, that have been officially apportioned to a State highway department, but yet unobligated, for the purpose of financing an emergency program.

The States do their advance planning of construction and their own fiscal needs on the basis of their apportioned Federal-aid funds.

Mr. SCHERER. May I interrupt, Mr. Womack, and say that one of the representatives of the administration—I can't recall which one—was asked a specific question as to whether this standby bill would permit the President to take money from the highway trust fund and divert it to use in this emergency program, and the representative of the Federal Government said that the legislation would not permit this to be done.

I have some question in my mind that somebody else might not interpret the present bill to mean that trust funds could be applied to this emergency standby program. Of course, I would be opposed to it. I am opposed to the whole bill.

Mr. FALLON. I think I was the one who asked that question.

Mr. SCHERER. Yes; you were. You are always protecting the trust fund.

Mr. FALLON. Go ahead, Mr. Womack.

Mr. WOMACK. Many of them, by necessity, have to take advantage of the grace period allowed on apportioned Federal-aid funds in planning their programs and in providing matching funds. To take such moneys and divert them to other uses could be catastrophic for the highway program in a State.

The highway needs are such that continuous and uninterrupted construction is essential to keep from losing ground at too great a pace. The A-B-C program is an essential one that cannot be subject to being turned on and off to match some economic index.

We also oppose such a program taking Federal highway trust fund balances for other purposes than financing the highway program and jeopardizing the simultaneous completion of the Interstate System in all States.

We wish, however, to bring to your attention the tremendous backlog of needed betterments on existing highways that can easily fit into such an emergency public works program, and these are the types of projects that can be initiated quickly and are generally not eligible for Federal-aid construction. They could be moved to contract as quickly as is consistent with good practice in competitive bidding and can be completed in a year if the year embraces the construction season.

We are speaking of the type of work that the State highway departments did in the 1958 Federal-aid D program. At that time, 12,000 miles of existing highways were widened or resurfaced and many narrow bridges were widened, making a major contribution to safe, comfortable, and economical travel on many of our critically deficient highways.

Generally, no additional right-of-way is required and the work can start circulating money in a community in a very short time. The State highway departments, as established agencies, can handle such a program, with no additional time needed for establishing new organizations for the purpose.

We believe that you, as the House committee charged with the responsibility of the Federal-aid highway program and its authorizations, would be interested in having a brief outline of the vast operation that is established and is essential for conducting a program containing so many varied and highly scientific fields as our big highway program.

It is necessary to have a desirable amount of uniformity of practice in the program, yet not to the degree that individual creative initiative is discouraged. Otherwise, there would be little or no progress toward developing improved techniques and cutting costs.

It is necessary to have an effective arrangement whereby there is constant communication between the highway specialists in the respective fields involved, so there is effective correlation of activities and dissemination of new developments.

It is essential that the combined skills, experience, and professional judgment of the various classes of specialists be utilized in the development of standards, specifications, and policies required to carry out the Nation's highway programs. This is accomplished through the AASHO procedures.

It also is desirable to maintain a strong relationship with the engineering educators and industry researchers.

It is through such operations that our professional people, most of whom are the products of our many accredited engineering colleges, are involved in very effective and continuous graduate level training at all times while carrying on their everyday duties. It has been this means whereby highway technology has been developed in our country to such a high degree and to where our professional people are considered the best in the world.

The operation, by necessity, must be complex for many specialized areas are involved, such as management techniques, personnel development, fiscal control, materials and testing, physical research, economic research, planning, aerial photography, electronic computer engineering applications, bridge structure design, traffic engineering, roadway design, geometric and structure design procedures, right-of-way acquisition, interactions between urban transportation and urban development, and many more.

Forty-seven have installed electronic computers and developed skilled operators. Twenty-three are now installing the second generation of newer and larger computers to increase engineering productivity even further.

Just as in any other highly skilled profession, many things in highways are not exact sciences and are sometimes subject to differing professional judgment, which, in itself, is a strong force in developing new and improved procedures.

Inasmuch as very few of you have had the opportunity to know of the operations behind the scenes to develop procedures, policies, and standards, and because most of you recognize that such operations would be essential, we not only believe that it is desirable to tell you of these activities but that it is absolutely necessary, for it is possible that you may come to the conclusion that there is a void in this phase of handling the program.

We are also aware of the fact that many of you have spent many hours hearing testimony on some of the blotches on and human failings in the highway program, which actually involves a relatively small number of the total State highway employees and projects in the highway program.

It is human to form opinions and to be influenced by the things to which you have been exposed. Many of you have been exposed mainly to the dark side, and it could be easy and human for you to sell the program and the highway departments short and to lean toward curing the problem by favoring more and more Federal control.

There have been some shortcomings in handling the program, and we have certain activities underway to correct them. Any corruption or dishonesty involved, however, should be dealt with promptly and vigorously.

Our irregularities mostly have been in those areas that were expanded most by the big increase in the program, such as project level personnel and right-of-way operations, with the proper amount of blame for these things being laid at the door of top administration.

We still claim, however, that acquiring highway right-of-way is different than right-of-way acquisition for other purposes, mainly because of the factors of severance, loss of uses, access, enhancement, the various natures of damage, and so forth. We are quick to point out that a vast amount of the top know-how in highway right-of-way

acquisition field is in the State highway departments and the Bureau of Public Roads. This talent, together with that in the American Right-of-Way Association, is working on corrective procedures and training programs to overcome the deficiencies found.

Don't discount the highway program. The public is getting good, serviceable, convenient, modern highways, that are saving lives and money and expanding our economy. The program is on schedule.

Any faulty construction involved is an exceedingly small part of the overall program, and it can usually be rendered serviceable and the builder can be properly penalized. We are working constantly to reduce undesirable work to a bare minimum and we are succeeding.

The success of the highway program to date has been due to the fact that it is a Federal-aid program to the States and not a Federal program, and it is one that has been effectively coordinated by the Bureau of Public Roads to protect the Federal interest.

We are quite concerned about the attitude in many quarters that the program is or should become a Federal program.

Even with the Federal contribution of 90 percent to the Interstate System, the States are still furnishing 40 percent of the construction money for the highway programs of this Nation, and financing the total cost of maintenance and operation. We are still very much partners in this venture.

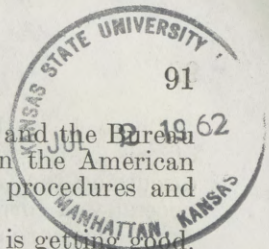
We expected that a program so big and so important would be reviewed by a congressional committee, and we expected that a certain amount of shortcomings would be exposed, especially in the beginning years of the program. We are, however, genuinely concerned over some of the side effects of the investigations that are not in the public interest. We refer to some irresponsible publicity that is undermining the public confidence in the program and in the officials who administer it, as well as the tendency to impose more and more restrictions and controls over the program at the Federal level.

Admittedly, some step-up in Federal inspections has been indicated, but it is easy to go overboard and increase inspections and paperwork to the point of diminishing returns. The result is raising the costs of roads far out of proportion to the relatively minor and theoretical improvements that might be obtained.

Contractors have been complaining about this problem and it is now reflected in increased costs, for we have had a 4-percent increase in bid prices during the past year, after prices remaining relatively static for 5 years. Contractors point out increased inspections, with resulting slow-downs in the construction progress, together with our inspection and other personnel becoming hesitant to give prompt decisions, are the major factors involved.

This latter thing is a human reaction that has been caused by the adverse publicity and the personnel, involved in the decisionmaking process, wanting to be sure that they do not become involved in the investigative spotlight.

To correct the irregularities in the program that have been disclosed, AASHO developed, printed and distributed 30,000 copies of an "Informational Guide on Project Procedures," which is a guide whereby the individual State highway departments can make a comparative review of their respective administrative practices, their handling the program at the project level, and their procedures in the field of right-of-way acquisition.



There have been several meetings of the chief administrative officers of the several State highway departments for the purpose of discussing the weaknesses that have been exposed and the way and necessity of correcting them.

We also initiated several training programs that will be discussed later.

We are of the opinion that no additional Federal laws are necessary, for with the penalties now prescribed for improper actions or certifications, together with the authority of the Secretary of Commerce to cut a State off from the Federal-aid highway program, or to withhold funds from a project, or decline to reimburse a State for a project for cause, are entirely adequate to protect the Federal interest.

The matter of correcting situations at the State level is one that is the responsibility of the State and the people in it, and we are sure that they will take care of their own problems in the manner they deem best. The investigations could have a beneficial effect where salaries or employment conditions need improvement, or where certain reorganization or changes in State laws are indicated.

We also would like to mention that since the program has been stepped up and has become so important and involves so much money, there have been challenges from competitive transportation interests as well as from other agencies and groups wanting to get into the act that have added to our problems. However, we believe that these challenges are being handled satisfactorily. To explain the ASSHO process we offer the following:

In 1914, the men who had the responsibility of administering the highway programs of the Nation decided an association free of commercialism and profit incentives should be organized, and the purpose of that organization, which became known as ASSHO, is to foster the development, operation, and maintenance of a nationwide integrated system of highways to adequately serve the transportation needs of our country, and to develop and improve the methods of administration, design, construction, operation, and maintenance of highways; to study all problems connected with highway transport; to counsel with the Congress on highway legislation; to develop technical, administrative, and highway operational standards and policies, and to cooperate with other agencies in the consideration and solution of highway problems.

Membership in AASHO is by State highway department and Bureau of Public Roads. There are no individual or commercial memberships. Voting is by member department, with each one having one vote, with a two-thirds favorable vote required to adopt standards. Through our regular annual meetings and through our many committees, we have the means for utilizing the talents and contributions of all of the employees of the member departments.

We also have, in the AASHO, the vehicle by which there is a constant exchange of information and developments between our people. AASHO has a standing committee on administration, which is made up of the chief administrative officers. Under that are 11 subcommittees, as follows: administrative practices, highway finance, highway transport, legal affairs, right-of-way, uniform accounting, public information, factual surveys, electronics, radio, and urban transportation planning. In recent years, 40 States have organized urban units in the department to better handle the increasing urban highway problems.

We also have a standing committee on standards, which includes the engineering committees, such as the operating committee on planning and design policies, traffic, design, bridges and structures, materials, construction, maintenance and equipment, roadside development, research activities, and secondary roads. We also have special subcommittee such as standard nomenclature of highway terms and bridge clearances, and replacement in kind involving water resources projects.

We have several very important and active joint committees with such groups as American Road Builders' Association, the Associated General Contractors of America, the National Highway Users Conference, the American Municipal Association, American Right-of-Way Association, National Association of County Officials, and the Association of American Railroads. We have representatives on the National Committee on Uniform Traffic Control Devices and on the National Committee on Traffic Laws and Ordinances.

We have advisory committees to the Bureau of Public Roads on Right-of-Way, Utilization of Air Space, and on Emergency Planning-Operation Alert.

Our joint operations with the American Road Builders' Association provide an effective means of communications between materials and equipment producers and the technical highway people to where the talents of both are used to develop and appraise new materials and equipment.

We discuss contractual matters and construction specifications with the Associated General Contractors of America.

We cooperate with the National Highway Users Conference in improving highway management practices and in personnel development techniques.

We discuss with the American Municipal Association the many complex problems of highways and urban development.

Our joint operations with the American Right-of-Way Association deal with planning utility adjustments occasioned by highway improvements, to keep such costs and the public inconvenience at a minimum.

Our newly created joint committee with the National Association of County Officials will deal with the many mutual problems between the two levels of government in handling the highway program.

The National Committee on Traffic Laws and Ordinances is the one that develops the Model Ordinances and the Uniform Code, which constitute the basis of most of the rules of the road adopted by the municipal and State governments.

The National Committee on Uniform Traffic Control Devices is one that dates back to the origination of standard highway signing and marking in this country, and AASHO was one of the original members. This committee is the one that develops the Uniform Manual for signing and marking all public roads and streets with the exception of the Interstate System.

The Interstate Manual, in order to achieve the uniformity desired, and since no other level of government was involved, was developed by the States and the Bureau of Public Roads through the AASHO process.

Most of our committees also have many active subcommittees assigned to specialized problem areas within the committee's fold.

Practically all of our committees have a member for each State highway department. For instance, our committee on materials is made up of the chief materials engineer of each State highway department and the Bureau of Public Roads, and such committees each represent a thousand years of combined experience and background that is the best available. Each is a board of the top experts in the respective fields. There is a committee to serve every phase and discipline of the highway program, and through continuous correspondence their work is always active throughout the year.

All of our committees have two sessions at our annual meetings, and the following also have special meetings during the year: Planning and design policies, bridges and structures, materials, design, highway transport, roadside development, and electronics, in order to keep current on developments, study problems or to develop needed specifications, standards, etc.

In addition, there are four regional associations of State highway administrative and technical officials that meet each year to study mutual problems and appraise developments that are regional in nature.

In 1920, the State highway departments felt the need for the establishment of a forum for the exchange of research information and a clearinghouse for all branches of highway engineering, and, as a result, the National Academy of Sciences created the Highway Research Board. This agency administered our AASHO road test project. The Federal Highway Administrator and several State highway officials serve on the executive committee of the board. The board's annual meeting is attended by nearly 2,500 top highway and industrial researchers and top educators.

In 1947, after the need was expressed by highway officials, a correlation service was established by the board and subscribed to by all of the State highway departments in order to furnish a more efficient correlation and exchange of information on all highway research and new procedures.

Specialists of the board make periodic calls on the State highway departments to get firsthand information on problems, new methods, research underway, and to advise as to what is going on elsewhere. The service also consists of a continuous supply of reports and papers on highway research reports and studies and scientific information.

The correlation service of the board also conducted our highway laws study, wherein all of the highway and related laws at all levels of government, as well as all decisions and opinions, were compiled and made available to the States.

The Highway Research Board holds special conferences throughout the year on such subjects as highway economics, urban affairs, highway planning, fiscal management, night visibility, etc. The board is very important in that it is a part of the National Academy of Sciences and as such can utilize and draw on the talents of outstanding individuals in industry, from all levels of government, and from our institutions of higher learning. Its reputation and prestige are well known and it makes a most valuable contribution to highways.

We believe that you would be interested in some of the programs that AASHO has underway or in the formative stages. Our bridges and structures committee is constantly updating our bridge specifications, and every 4 years a new edition is published. The same is

true for the committee on materials. These committees maintain an active liaison with the other professional and scientific groups of allied interests.

Our construction committee is undertaking a complete review of all of the States construction specifications, to determine if there are any obsolete or nonuniform provisions in use that are not in the public interest, and to prepare a basic guide set of specifications, using the desired amount of uniformity, but leaving enough flexibility that the individual States may include such special provisions as are needed to cover their individual requirements, such as local materials, weather conditions, soils, and so forth. We do not want nationwide inflexible uniformity as a requirement.

We are developing an AASHO training program for construction, bridge, and materials inspectors. This program will set out the minimum requirements and training for assignment to such positions and the courses would be given by engineering colleges and universities, which would examine an applicant and determine if he were qualified for assignment, thereby eliminating some of the pitfalls of assigning patronage appointees and attempting complete training on the job.

Practically all of our professional employees are the product of our top engineering colleges, but the class of personnel involved in the AASHO training program will be subprofessional technicians, assigned to the project level. Due to the size of the program and the turnover in this level of personnel, the training program must develop trainees in large numbers and because of this it will have to be done close to home. Many of the States have very satisfactory training programs at the present time for inspectors and technicians. Some few do not.

AASHO is also developing a training program to teach the fundamentals of highway right-of-way acquisition and appraisal. Few colleges teach these subjects at the present time, and a certain amount of on-the-job training will be necessary for those finishing the training and instruction in fundamentals. We are cooperating with the American Right-of-Way Association in developing this program.

We are also in the formative stages of establishing a reference laboratory for highway materials, other than portland cement. Such a laboratory for portland cement only is currently operating in the Bureau of Standards. None is in existence for the other highway materials and we feel one is desirable for an improved quality control program.

The proposed reference laboratory would furnish a means for calibrating the States' testing equipment and also checking the performance of the technicians engaged in testing. This would involve one central laboratory, probably in Washington, D.C., to run samples submitted for checking, together with traveling equipment that could call on all of the State highway laboratories and make spot checks and calibrate equipment in use.

The States have formalized a joint continuing research program, whereby each will contribute an amount equal to one-twentieth of their 1½ percent planning research funds to a financing pool each year, with projects being selected through the AASHO process.

Suggested program items in the research program come from the State highway departments and are then screened and selected by balloting by the State highway departments.

The program is designed to research important and pressing problem areas that are of mutual interest to a majority of the States and are beyond the ability of a single State to undertake.

The program is to be administered by the Highway Research Board and monitored by the AASHO organization. Projects will be contracted to colleges, institutes, one or more State highway departments, etc., and only if the agency has demonstrated exceptional interest and competence in the particular research area.

The six program items agreed upon to constitute the first program include:

- (1) Satellite tests, as followups of the AASHO road test to correlate findings with local conditions and to refine results;
- (2) Research to develop warrants and standards for highway lighting;
- (3) Research to increase traffic capacity and safety, including the use of electronic techniques;
- (4) Program to find ways on the beneficiation of aggregates, to improve borderline aggregates for satisfactory use, especially where aggregate sources are being exhausted;
- (5) Research to eliminate or decrease damage to bridge structures from deicing operations and to find the best methods for restoring structures so damaged; and
- (6) Determination and evaluation of user and nonuser benefits from highways.

Also, in the field of research, in 1960, all of the State highway departments had a total of \$5.3 million of such work underway in addition to the AASHO road test, \$2 million of which was handled by the State highway departments and with approximately \$3 million being handled by universities. All in all, the State highway departments had 260 research projects underway in institutions of higher learning in that year. The 1960 year is the latest for which the figures are available.

As to the 1½-percent funds used for research and planning, about 60 percent is used for data gathering, 26 percent for planning, and 14 percent for research. It should be borne in mind, however, that data collection is essential for the other two operations.

Another program of AASHO, at the present time, is to establish comprehensive transportation planning in towns and cities of 50,000 to 250,000 population in order that we will be assured that the planning and construction of highway facilities in urban areas give proper consideration to, and will fit into, other phases of urban development.

In this program we actively solicit the support and contribution of all of the interested officials and technicians at all levels of government involved, and insist that the planning will be urban areawide in its scope.

This program is in cooperation with the American Municipal Association and the National Association of County Officials, with the Housing Agency and the Bureau of Public Roads being requested to cooperate and assist.

Most of the urban areas in excess of one-quarter million population either now have underway or have planned an adequate transportation planning program at this time.

We desire, through this program to develop the planning process in our growing urban areas throughout the country and to develop improved techniques and procedures as we progress. We also plan to

develop specialists in urban transportation planning and economics by the chain reaction process as the program moves along. Most of the scientific methods of transportation planning that are now in existence were developed in the State highway departments.

Another operation of AASHO that is little known to the general public has to do with the very well known U.S. numbered highway system, which the State highway departments established in 1926 and which is administered by AASHO. The system is for the purpose of giving a uniform and continuous route number to those major routes available to serve the main streams of interstate traffic and join the major traffic generating areas of the Nation.

When this system was initiated in 1926, it totaled 96,626 miles. At the present time it totals some 180,000 miles. Changes in the system are made on the basis of applications submitted and supported by the member State highway departments.

Most of the people believe that the U.S. numbered system is a Federal highway system, whereas it is composed of highways under State jurisdiction, and the Federal contribution to the system, as it now exists, is probably in the neighborhood of not more than 15 percent of the total construction cost. Its distinctive route marker, just as the official interstate route marker, was designed through AASHO.

It is interesting to note that at the time the U.S. numbered system was established by the State highway departments for the convenience of the public in 1926, it was suggested that it be called the Interstate System; however, the U.S. numbered system terminology was favored and officially adopted.

One of the major activities of the AASHO organization is the development and issuance of the technical highway publications covering design procedures, standards, policies, specifications, tests, etc., that are needed to plan, design, build, and operate not only our own highway programs but are also used wherever highways are constructed throughout the world.

When a committee reports out a draft of a proposed publication it goes to the executive committee for review, where it may be referred back for further study or it may be authorized to be printed as a committee report, an informational guide, or as an official policy of the association. The latter requires a favorable ballot by two-thirds or more of the member departments and then generally is concurred in by the Secretary of Commerce and used to administer the Federal-aid highway program. This procedure is called the AASHO process and is the means whereby the Secretary of Commerce cooperates with the State highway departments in developing certain standards as required by law.

Attached is the list of current publications of AASHO. These publications are absolutely essential in the carrying out of a thing as complex and as important as the big highway program, yet they attract little attention and notice by those not actively engaged in building highways. We believe the AASHO procedure utilizes the best talent in the world for the purpose.

We realize that when a person is subjected almost continuously to the objectionable features of a program, it is very easy to assume that the entire program is saturated with corruption and incompetence. We doubt very much that enough evidence has been unearthed for anyone to come to that conclusion, and we hope that none of your committee has reached such a conclusion.

We do not, for one minute, condone the human failures or corruptions that have been exposed, and we regret it as much as anyone else, but we should all attempt to view the situation in its true perspective.

Top administration in the State highway departments must accept its blame for the irregularities disclosed and the hearings have performed a service in spotlighting these things. Certain constructive things, although embarrassing at times, can come out of the review, but we are greatly concerned at some of the byproducts that can and are damaging the program and increasing the cost. We hope all involved will do everything possible to keep the undesirable side effects at a minimum and help to spotlight the bright side of the program.

By the time that we again appear before your committee in regard to A-B-C authorization, we will be planning our 50th anniversary meeting, to be held in the fall of 1964, in Atlanta, Ga., the city where AASHO started in 1914. It is our hope that your committee will sponsor a congressional resolution commending our stewardship, as was done on the occasion of our 25th anniversary in 1939, when the Congress sent an official delegation to our meeting.

We also hope that we will have your support between now and then in obtaining the issuance of a commemorative postage stamp, honoring the service and achievement of the State highway departments and the Bureau of Public Roads, working through AASHO, in building the world's best highway network. We take pride in our record of accomplishment.

We thank you for the opportunity of appearing before you and presenting this statement.

In accordance with our understanding of the desires of the committee, I would like to read into the record two additional statements which are very brief. These have to do with other resolutions, that is, not the original prepared statement on H.R. 9725.

Mr. FALLON. You do have an additional statement, Mr. Womack?

Mr. WOMACK. Yes; we have one on the administration bill, H.R. 11199.

Mr. FALLON. Go right ahead, Mr. Womack.

Mr. WOMACK. Mr. Chairman and members of the committee, this supplemental statement refers to H.R. 11199.

We have contacted the chief administrative officers of the State highway departments with regard to their reactions and opinions on the matters contained in the bill, which was not covered in our policy discussions at our last annual meeting.

The following constitutes the consensus of the highway officials on the various proposals.

SECTION 2(1)

We favor the A-B-C authorizations for the 1964 and 1965 fiscal years as proposed in the Fallon bill, H.R. 9725. The States are unanimous in this support.

The development of the Interstate System is placing additional calls on A-B-C funds, such as necessary adjustments to the A-B-C network, connections to the interstate and increasing the capacity of certain A-B-C routes to accommodate the additional traffic created by the Interstate System.

As for the authorizations proposed in section 2, parts (2), (3), (4), (5), (6), (7), and (8), these are satisfactory, provided that they are not financed from the trust fund.

As for section 3: Assistance to Displaced Families and Businesses, we advise against the passage of such a provision at this time, and we believe that it is a matter that should be left to the Special Select Subcommittee on Real Property Acquisition, that is a part of your House Public Works Committee, and which is studying this problem along with related ones. The subcommittee should have an opportunity to report on its assignment.

Practically all of the States reported that this matter is not a problem at all and displaced people have not been left homeless, nor seriously inconvenienced because of the highway program.

We also point out that the proposal for making certain payments would also involve State funds, inasmuch as the States still furnish approximately half of the money that goes into the Federal-aid highway construction program, and if the proposal in this bill were enacted into law it would undoubtedly extend into projects financed wholly with State funds in addition to Federal-aid projects, involving the State funds even further and probably for some time to come.

There are many questions that we think must be answered also, such as, Who would determine what is adequate, safe, sanitary, convenient housing within the means of the individual, and as we understand the provision, the State highway department would have to make a showing that this housing was available before we could even go ahead with acquiring right-of-way to build any Federal-aid project, whether it be the interstate, primary, secondary, or whether it be in an urban or totally rural area.

Mr. SCHERER. May I interrupt? Do you or do you not feel that the enactment of this particular section which you are discussing in the Buckley or administration bill, would delay the highway construction program?

Mr. WOMACK. We think it would. Yes.

Mr. SCHERER. That is almost axiomatic from reading the section, is it not, that it would delay it?

Mr. WOMACK. That is the way we feel. Yes.

Mr. SCHERER. You understand, of course Mr. Womack, that the payments for removal costs would come out of the trust fund under this section of the bill. That would mean we would build less miles of highways, would it not?

Mr. WOMACK. That is correct. We believe that it would be the means of introducing controversy, delay, and political pressures into the program to the point that it could effectively stop the highway program in certain areas.

We believe that building a highway system is somewhat different than building an urban renewal project, for in an urban renewal project, it is entirely localized and an exact completion date may not be too important, but you cannot plan the financing and construction of the projects making up a connected and functional highway system in that manner.

We are of the opinion that an adequate leadtime in planning and acquiring right-of-way is the answer, and allows people and businesses time for an orderly relocation without all the added costs and complications. Current legislation provides for a 7-year leadtime for right-of-way acquisition, and arrangements have been perfected whereby Federal-aid financing is coordinated with that time period, making this action possible without additional legislation necessary.

In the wording of this section, the Secretary of Commerce is given no choice in his findings, but, as a condition precedent to his approval, he shall require the State highway department to assure that there is a feasible method of temporary relocation of families, or certify that permanent housing is available meeting certain conditions set forth.

Mr. FALLON. I asked a witness this morning with regard to this temporary housing, if that meant you would have to put them up in a hotel, or an apartment house, or something temporary, at the expense of the Federal highway program. Is that your understanding of what "temporary" means?

Mr. WOMACK. That is what we understood.

Mr. FALLON. It could mean that?

Mr. WOMACK. It could mean that.

Mr. SCHERER. Also it could mean according to the definition of the type of housing that is to be given these people who are moved from rights-of-way under section 133—it could mean they would be provided with better facilities than the ones they had at the time they were removed.

Mr. WOMACK. That would be one of the problems in trying to determine just what would be a comparable place to relocate them.

Mr. SCHERER. It says here in the bill that it is to insure that there will be provided decent, safe, sanitary dwellings adequate in number to accommodate such displaced families, and reasonably accessible to places of employment. Obviously, it would mean in some instances that the State was required to pay out of trust funds the money for a type of housing that would exceed the standards of housing in which the persons were living at the time they were asked to vacate the right-of-way. It could conceivably mean that, could it not?

Mr. WOMACK. I should think that would be a possibility.

Mr. SCHERER. I just mention that to point out some of the problems we will run into if this section should be enacted.

Mr. WOMACK. Such a set requirement could afford the means of stopping essential highway improvements through all kinds of legal challenges.

There may be some equity in helping defray the moving costs imposed on people, but the certifications required in this bill as to available housing are opposed by the highway departments. Also, we would like to call to your attention that there is actually no limitations placed on payments for moving businesses.

Mr. SCHERER. May I interrupt again just for the record? All of the States have laws that set forth in detail the compensation that shall be received by an owner, either a fee owner, or a leasehold owner, for property that is taken by the State; do they not?

Mr. WOMACK. They do.

Mr. SCHERER. Might this not interfere in the trial of cases? Might not these provisions interfere in the trial of cases involving the taking of property?

Mr. WOMACK. Yes. I think it would have—in some States there would be constitutional conflicts. I know in ours there would be.

Mr. FALLON. But you State highway officials are not opposed to these people receiving adequate and fair compensation for the removal of these people, are you?

Mr. WOMACK. You mean to pay them actual——

Mr. DAVIS. You mean transportation from one place to another?

Mr. FALLON. No; I am talking about these people being hurt by the condemnation of their property for the purpose of building the highways. The State officials do not want to go on record as saying that they do not want to do the right and fair thing by these people.

Mr. WOMACK. I think our statement would be to the effect that we do want to be fair with the people with whom we have to deal.

Mr. FALLON. And you understand it is your responsibility to see that they get fair treatment?

Mr. WOMACK. And we think the way to do that is to give a long leadtime so that they do not have to move out overnight. Give them plenty of time to relocate.

Mr. FALLON. But you also want to see that the adequate and fair thing is done about it.

Mr. WOMACK. We want to be sure they get an adequate price for their property.

Mr. BALDWIN. Will the gentleman yield?

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. Isn't the point you are making about this long leadtime that under the Interstate System legislation which authorizes the States to set up a fund in advance for the acquisition of rights-of-way, that if each State does set up such a fund and, therefore, takes steps to acquire the right-of-way with sufficient clearance before the actual construction contract is let, then that will give these people the right to get payment for their property sufficiently in advance so that they can go out and find a suitable place to live and, if necessary, rent a house that has been condemned for a period of time pending the actual condemnation and removal of whatever house they have been paid for by the State highway department.

Mr. WOMACK. That is actually the case. To what extent the States do that I do not know. As far as we are concerned, we do not move people right out the minute we acquire the property. We allow them to stay in there on a reasonable rental basis until such time as we need the property, which gives them all kinds of time, and which is just as good as to move them to some other temporary location.

Mr. FALLON. Will you go on to section 6, then?

Mr. WOMACK. As to section 6, the State highway departments agree with this proposal.

As to section 7, we have explained in our statement, given with regard to H.R. 9725, the urban transportation planning action program that we are undertaking together with the American Municipal Association, the National Association of County Officials, the Bureau of Public Roads, and the Housing and Home Finance Agency.

In this program we are trying out cooperative planning on an urban areawide basis, and are concentrating on cities under one-quarter million population. It is our opinion that in cities of this size that the State highway departments will have to assume considerable leadership over the operations in setting up the planning program and in seeing that the planning process is continued and kept current, because a great many of such cities do not have the necessary technical staff to take a leading role.

Before such planning is made mandatory, we would suggest that we give our presently launched program time enough for tryout to determine if the cooperative approach with all of the agencies and levels of the Government involved give satisfactory results, and not result in a controversial impasse.

It is the intention of the highway officials to make this program work.

We have not mentioned cities over one-quarter million population in size, since planning is active in most of these areas at present.

The wording in the bill leaves the decision as to whether a highway project properly fits into a comprehensive and balanced transportation plan to the Secretary of Commerce, but in communities where a considerable difference of opinion exists as to what constitutes a balanced transportation system, or where there is pressure to make additional expenditures on a highway project to enhance certain other community developments, longtime delays could be inevitable, for agreeing upon a plan would be almost impossible.

In our policy statement on transportation that was filed as part of our testimony on H.R. 9725, it is brought out that highway transportation is the only mode of transportation that will be involved in a transportation plan in the majority of our cities, and we predict that if transportation planning is made a prerequisite for approving a Federal-aid highway project in an urban area, it will stop the highway program in our larger metropolitan areas.

In conclusion, reference is made to section 8, which would increase the highway planning and research funds on the A-B-C authorizations from 1½ to 2 percent. We have already covered this matter in our statement on H.R. 9725. The States are opposed to the increase at this time, because of the great backlog of needs on the A-B-C systems and since we have a program underway to channel presently allotted planning and research funds into extremely productive uses.

The increase in percentage withheld from A-B-C authorizations would have to be matched, except in very special cases, and must be used for research exclusively. The State highway departments oppose this proposal. It will divert \$5 million annually from needed A-B-C roads, which means many miles of highway. Currently the 1½-percent funds which were stepped up drastically in 1956, by increasing the Federal-aid program, amounts to \$50 million, which is expended for research and planning. We believe this is adequate.

Then I have another supplemental statement on H.R. 10909, which has to do with the establishment of a National Academy.

Mr. Chairman and members of the committee, after the introduction of H.R. 10909, and related bills, for the establishment of a National Highway Academy, we got in touch with the chief administrative officers of all the State highway departments for an expression of their position on this proposal.

All of the States say that the bill is so general in nature that they are not certain as to how the Academy would be operated or to what class of highway personnel its training would be directed.

All of the State highway departments, however, favor any feasible or justifiable plan that will serve to improve the efficiency and capabilities of their employees, but most express certain reservations as to the need for the proposed National Academy and many are concerned over the apparent trend toward nationalization of the Federal-aid highway program.

If the training is to be directed toward the large number of sub-professional people, technicians, and inspection personnel, then an Academy in Washington would probably not be feasible.

If the Academy is to train professional and top management people, then there is a limit to how long such personnel can be spared from

their duties, and there is always a possibility that after completing such programs, at State expense, the trainee is attracted to other employment.

At the present time, the American Association of State Highway Officials is developing a training program for construction, bridge, and materials inspectors and right-of-way negotiators and appraisers, where the minimum qualifications would be spelled out along with the recommended training program, to train the large number of people involved in these operations and to take care of the large turnover that is experienced.

The States would carry out this AASHO-developed and recommended program locally.

A great many of the States have an extensive personnel development program at the present time and have to meet certain qualifications as set up by their respective civil service boards before people are assigned to highway positions. It is not certain as to whether or not the proposed Academy is to replace or to supplement the training that is being developed and is underway.

The professional staff people of the highway departments are practically all graduates of our accredited engineering schools, and they are constantly in touch with new procedures and developments in the respective fields and actively participate in the advance of highway technology. The need for training in this category does not seem to be a problem.

It is recommended that legislation, as proposed in H.R. 10909, be delayed until further study can be made by the Secretary of Commerce and the American Association of State Highway Officials as to the need for establishing a National Academy, and that their recommendations be submitted to the Chairman of the House Public Works Committee on or before January 1, 1963.

Mr. Chairman and gentlemen, those are the prepared statements in connection with these bills.

Mr. FALLON. Mr. Womack, I want to congratulate you and your organization which you are representing for not only a good statement, but a very sound one. Mr. Womack, you did not say anything in your statement with regard to this new item that is in the administration bill for public land development roads and trails in the amount of \$2 million in 1964 and \$4 million in 1965. Do you have any comments on this? The title is for public land development roads and trails.

Mr. WOMACK. Of course, that is not under our jurisdiction, and as long as it is not financed out of the trust fund—

Mr. FALLON. I guess we will have to wait for the Interior Department to testify on that. They will be back here after the Easter recess. Are there any questions? Mr. Wright.

Mr. WRIGHT. Mr. Womack, you expressed general approval of the basic idea behind a National Highway Academy insofar as it would contribute to better training, but you expressed certain reservations. I am not at all sure that the authors of that bill, principally Mr. Edmondson, had a specific idea in mind as to exactly what the curriculum of such an Academy would contain, or exactly what kind of highway personnel the States would find it of value to send. I believe it is contemplated that we would seek advice from people like yourself in those matters.

You are familiar, I expect, with the schools and courses and seminars conducted in the law enforcement field by the Federal Bureau of Investigation. Are you familiar with that program?

Mr. WOMACK. I heard of it. I am not too familiar with it but I know there is such a thing.

Mr. WRIGHT. It has made of law enforcement in many States and communities a much more professional thing. I think what Mr. Edmondson basically has in mind is something in the highway field which might help to raise the professional standards. I have not seen or heard of any trend toward a nationalization of the police work of the Nation as a result of the FBI schools or courses. Have you heard of anything along that line occurring?

Mr. WOMACK. No, I have not.

Mr. WRIGHT. Do you know of any reason for apprehension that such may have resulted?

Mr. WOMACK. I think the only thing that the Legislative Committee had in mind on that was that it would put the training of the top people at a national level, whereas I think they feel it could just as well be done at the local level.

Mr. WRIGHT. Of course, training is best done at as local a level as possible, but if we had decided that the training, for instance, of military officers could best be done at a local level by the respective States, I think we would not have nearly so professional a group as has resulted from the academies.

Mr. WOMACK. Of course, the military is a national organization.

Mr. WRIGHT. It is, and so is the Federal Bureau of Investigation, and so is the Bureau of Public Roads. I think one of the things that may have been in the mind of the gentleman from Oklahoma, who is the prime author of this bill, is the fact that we discovered at certain of the hearings of the special Highway Investigating Committee, rather glaring evidence of inadequate preparation and training on the part of certain people such as fee appraisers and others, whose job it was to conduct appraisals of properties. It was somewhat appalling I believe to some of the members of that committee that in at least one State people had been engaged to conduct this work who had no professional background, knowledge, or any real training so as to teach them what the work really consisted of. It occurred to some of us that this might provide a means of permitting the States to send people to 1 academy, rather than having 50 different academies.

I think in developing the curriculum of such a thing, if it were to come into being, we would certainly want the active cooperation and suggestions and leadership of people like yourself, as to what it should consist of and what it should contain. If there were, let us say, 4 people in a given State in a given category, it would be rather expensive to conduct a school for 4 people, whereas, if there were 4 people in 50 different States it could quite well justify having a school with intensive training for 200 people.

Mr. WOMACK. Do you know whether that was intended to be a mandatory training course, or could they decide the people who were trained and would not have to be?

Mr. WRIGHT. Certainly it would not be mandatory. No more than it is mandatory in any State for law-enforcement officers to attend the FBI Academy. It is a service provided for them, whereby the States are permitted to send so many people in various categories for this training.

Mr. WOMACK. I think there is certainly agreement on the fact that we should have training programs and we do have a need for training programs. We are underway right now in our association, with the Bureau of Public Roads in setting up training courses to be sent to the States for that very purpose.

Mr. WRIGHT. I think that is a very fine step in the right direction.

Mr. WOMACK. Yes.

Mr. WRIGHT. Thank you, Mr. Chairman.

Mr. FALLON. Mr. Scherer. Mr. Baldwin.

Mr. BALDWIN. Mr. Womack, I have one question. You made a point with regard to section 8 which dealt with additional research funds, that you felt this increase from 1½ to 2 percent was probably unnecessary. As I understand it, if any one of the States in a research program that they carry out in the field of highways find that they have developed some improved technique, that information is automatically available to all of the other State divisions of highways. Is that a correct statement?

Mr. WOMACK. That is true, and even more so now than it has been because we have just recently set up a process whereby that does come about.

Mr. BALDWIN. So, therefore, the provision of section 8 which would in effect provide that all 50 States be encouraged to increase their research funds, would not necessarily be the best use of the money, because if 1 State makes a step forward it makes that available to all of the 50 States and, therefore, there is no particular reason why all 50 should necessarily be doing the same research and spending all that money for that purpose. Isn't that basically the issue here?

Mr. WOMACK. That is right. Would it be all right for Mr. Johnson to make a statement? He is very close to this research problem.

Mr. FALLON. If he does, it will be the first time we have ever had a hearing here that he hasn't. We would be very disappointed if he left this room today without saying something to this committee. Mr. Johnson, you go right ahead.

Mr. JOHNSON. Thank you, Mr. Chairman. In the President's statement it is pointed out the States now have gotten together into a pool for a continuous research program fund whereby all 50 States contribute a certain amount of research funds to a pool. The program will be administered by the Research Bureau of the National Academy of Sciences; the same agency that administers the test roads. In that way we will take on research problems that are beyond the ability of a single State, and those that are mutual problems of several States. That is one way we expect to increase the productivity of our research.

We have many vehicles whereby we disseminate the information gained from research by any State, whether they do it themselves, or in a university, or anywhere else. We have a correlation service of the Highway Research Board which we and the Bureau of Public Roads contribute the main support to. They make periodic visits to the highway departments and also send out reports on these things. We have several ways for every State to know exactly what everybody else is doing.

Mr. BALDWIN. Thank you very much. I raise this point because I would hate to see the day when we get so many beautiful side ideas that by the time we divert the funds to the sides we do not have

enough funds to build the roads, and it seems to me that the bill has a few provisions that may be a first step in the direction of those side diversions.

Mr. FALLON. Mr. Johnson, is it not one of the main functions of your organization to see that research is carried out in order to build a better highway system, as cheaply as possible?

Mr. JOHNSON. That is right, Mr. Chairman. We have a research activities committee made up of the chairmen of our committees, and they perform that function each year. Yes.

Mr. SCHERER. How much money is available in that pool you are talking about?

Mr. JOHNSON. That will be about \$2½ million a year; and to give you some more figures about the research underway, the States are doing about \$5½ million of research now and are doing a little over \$2 million with their own forces and about \$3 million is being done through the universities. So we have a sizable research program going on now.

Mr. FALLON. In addition to that, Mr. Johnson, do not the people, like the manufacturers of equipment, and the people who specialize in oil, and many other things, have their own research programs for the benefit of their own products?

Mr. JOHNSON. Very definitely. They have a development and research program going on continuously; and as a result of that we are actually getting dirt moved as cheaply now as we did 30 years ago.

Mr. FALLON. I understand that the Ritchie Highway that runs from Baltimore to Annapolis was built back in the thirties or before, and it cost more to move dirt for that highway over 30 years ago than it does to move dirt today.

Mr. JOHNSON. That is right. And the amount of dirt you move is the difference in the class of a highway. The more dirt you move the better your highway, and it is up to us to keep it as cheap as possible.

Mr. FALLON. So your association believes that that one-half of 1 percent is not necessary?

Mr. JOHNSON. We have gone to the States and tabulated their returns of their comments on this, and that is their feeling. We are now making the proper use of the 1½-percent funds, and at present it is adequate.

Mr. SCHERER. Do your research programs include studies of coordination of highway routes with mass-transportation facilities also?

Mr. JOHNSON. One of the programs that our President summarized is a study we are starting now—a continuing planning study, in all of the cities from 50,000 to 250,000—to where we will work on coordinating all forms of transportation, and working out the problems of highway development with all forms of urban development. In that it is our opinion that highways and other forms of transportation should never be competitive. If they are needed they should be planned together. We do not want controversy over one holding the other up.

Mr. FALLON. That would be a difficulty you would run into.

Mr. JOHNSON. That is right. And we figure some of our next research projects will be probably getting into what should be the warrants for the other forms of transportation.

Mr. SCHERER. Into what?

Mr. JOHNSON. What should be the warrants for that. When should they be included? In the biggest part of our cities, at least under a

quarter of a million, your automobiles and your buses and highway facilities will afford the only means of transportation you will have involved.

Mr. SCHERER. Mass transportation problems are usually confined to the big cities.

Mr. JOHNSON. That is right; but a bus itself can be mass transit, and can be rapid transit if your highway facilities are adequate. We think there are only a very few cities in the country big enough that we have to go to the other forms of transportation, and when they are included then they should be planned with the highway program, and not in competition.

Mr. SCHERER. These mass-transportation systems vary greatly do they not, with different cities in different States?

Mr. JOHNSON. Every one would have to be different.

Mr. SCHERER. In fact, it requires separate engineering studies insofar as different cities are concerned—isn't that right—because the problems vary to such an extent?

Mr. JOHNSON. Your fixed-line transportation is indicated where you are dealing with very high density land-use area, and then you are transporting people and not goods, which is beginning to be more important as your cities get larger in size.

Mr. FALLON. Are there any other questions? Is there any volunteering of information on the part of the AASHO?

Mr. DAVIS. I do not see how anybody can add to this fine presentation. With all due deference to the rest of the witnesses, I would like to be excused, because Mr. Womack and Mr. Johnson have really covered this subject thoroughly.

Mr. FALLON. And recommended that you continue on with your studies.

Mr. DAVIS. Oh, yes. I am in accord with Mr. Womack. Our committee is just in the midst of the very studies to which you refer, and if we add a piecemeal section here, I think it would be disastrous really. Give us a chance to finish, because we will come up with a good report, and a bipartisan one, with no politics in it. But we are definitely interested in coming up with a formula as nearly representing the entities in connection with the proper acquisition of land by all agencies, whether they receive direct Federal funds, or are assisted by Federal funds.

Mr. SCHERER. Your studies will include land acquisition for highways, reclamation projects, and anything subject to the public domain.

Mr. DAVIS. Anything subject to the acquisition of land.

Mr. FALLON. Will your studies also come up with some recommendation in regard to tenant removal?

Mr. DAVIS. Yes. Only as we relate the problem to all of the departments now dealing with the subject, because some have one formula while another department has a different formula. We are going to try to come up as nearly as possible and make a recommendation as to what we think should be a uniform approach. I think that is going to be a very interesting study. I really do. It is a long study and it takes a competent staff. The staff is at work and the committee is right behind them, but we will be giving you an interim report before very long.

Mr. SCHERER. Mr. Johnson, are you in a position to say whether or not your association feels that section 7 of the Buckley bill, H.R. 11199, is necessary in view of what has been said here today—transportation planning in metropolitan areas?

Mr. JOHNSON. I can run down this list briefly on what we got back from the highway departments of the States. Urban planning. We have about 14 or 15 that would be in favor of this if it were left voluntary and not made mandatory. The rest of them were against it at this time.

Mr. BALDWIN. That means at least 2 to 1 were against it?

Mr. JOHNSON. That is right.

Mr. SCHERER. And those who were for it said they would be for it only if it was voluntary?

Mr. JOHNSON. If it was voluntary at the present time. We would like very much to have this tried out as a voluntary thing to see whether or not we could get the cooperation of everybody involved—the cities, mass transit, urban renewal people, and so forth—and we think it is important that a plan involve that cooperative and area-wide approach. If we were to have a requirement in law, and find then we could not move in, of course, then we would have significant problems.

Mr. FALLON. Are there any other questions? Well, Mr. Womack, let me, on behalf of the committee, thank you again for your very comprehensive and sound statement.

Mr. WOMACK. Thank you.

Mr. FALLON. And Mr. Johnson, I thank you for your appearance here. We are always delighted to have you because you seem to be able to furnish the answers that sometimes otherwise would not be furnished. Thank you very much.

Mr. JOHNSON. Thank you.

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

Mr. FALLON. The meeting will adjourn until tomorrow morning at 10 o'clock, at which time the first witness will be the American Road Builders Association, and second the AGC, that is, the Associated General Contractors, and then after them the State-county highway officials.

So the meeting will stand adjourned until 10 o'clock on tomorrow. (Whereupon, at 3:15 p.m., the hearing was recessed until 10 a.m. the following day, Wednesday, April 18, 1962.)

FEDERAL HIGHWAY ACT OF 1962

WEDNESDAY, APRIL 18, 1962

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

The subcommittee met, pursuant to recess, at 10:25 a.m., in room 1302, New House Office Building, Hon. George H. Fallon (chairman of the subcommittee) presiding.

Mr. FALLON. I do not know how to welcome so many distinguished guests here this morning. We have some more members who are on their way to the hearing. As you know, we just had a rolleall on the floor of the House. The House is now in session. The members told me it was all right for me to get started and that they would be over very shortly.

We are having a continuation of the hearings on the Federal-Aid Highway Act of 1962. The witnesses have been addressing themselves to three bills, H.R. 9725, H.R. 11199, and H.R. 9848.

Our first witness this morning will be General Prentiss.

General, on behalf of the committee I thank you for coming up this morning. We are always not only delighted to see you personally, but your testimony has always been very valuable to the committee. We appreciate all that you and your organization have done to enlighten this committee on the job that we are all trying to do to get the highway program underway and to keep it on schedule.

**STATEMENT OF MAJ. GEN. LOUIS W. PRENTISS, USA (RET.),
EXECUTIVE VICE PRESIDENT, AMERICAN ROAD BUILDERS'
ASSOCIATION; ACCOMPANIED BY BURTON F. MILLER, DEPUTY
EXECUTIVE VICE PRESIDENT; AND CHARLES D. CURTISS,
SPECIAL ASSISTANT TO THE EXECUTIVE VICE PRESIDENT**

General PRENTISS. Thank you, sir.

Mr. Chairman and members of the committee: My name is Louis W. Prentiss, and I am the executive vice president of the American Road Builders' Association, with headquarters in Washington. We are a national organization, organized in 1902, with membership representative of the entire highway industry and the highway engineering profession. Our approximately 7,000 members include highway contractors; manufacturers and distributors of highway construction equipment; materials producers and suppliers; faculty members and students of colleges and universities offering instruction in highway engineering; highway officials and engineers at all levels of government; engineers in private practice; and investment bankers.

Mr. Chairman, I would like to take this opportunity to express the

appreciation of the American Road Builders' Association to you and your committee for your outstanding efforts and many accomplishments in providing our Nation with its first adequate, integrated highway construction program.

Since 1902, American Road Builders' Association has devoted its efforts toward the advancement of improved methods and techniques in highway engineering, administration, and construction toward the efficient utilization of materials and equipment; and in other activities in support of a long-range, balanced and soundly financed highway program, adequate to meet the growing demands of traffic, to provide for the economic development of our country and to meet the requirements of the national defense.

We welcome this opportunity to present testimony in support of the bill introduced by Chairman Fallon, H.R. 9725, and to comment on the proposals of the administration as set forth in H.R. 11199.

The other bill before this committee, H.R. 9848, was introduced by the distinguished leader of the minority side of the committee—the Honorable Gordon H. Scherer. We are pleased to note that Congressman Scherer's bill closely follows the Fallon bill, with the exception of the sums authorized for the A-B-C program for the fiscal year 1965.

Although the bills before this committee have significant differences, we are encouraged by the fact that they are in substantial agreement in the matter of authorizing the apportionment of funds for the continuation of the A-B-C program for the fiscal years 1964 and 1965.

Whereas the three bills authorize the apportionment of \$950 million for the A-B-C program in fiscal year 1964, H.R. 9725 would authorize \$975 million for fiscal year 1965, \$25 million more than the sum proposed by H.R. 9848 and H.R. 11199. We believe that H.R. 9725 is to be preferred, in this respect, for three reasons:

- (1) The pressing needs for the improvement of the primary, secondary and urban Federal-aid systems should be met at the earliest possible time, consistent with sound planning and sound financing. We believe that the highway authorization proposed in H.R. 9725 can be apportioned without disturbing the capability of the highway trust fund, and that this extra money—relatively small though it may be—will aid materially in assisting the States to better balance their highway construction programs;

- (2) We believe that the statement of intent adopted by this committee in 1956, declaring that the A-B-C apportionment should be increased in annual increments of \$25 million, at least until such time as the \$1 billion level is reached, remains sound policy. It should be adhered to, if for no other reason than to assure the States and the general public that Congress intends to keep faith by proceeding with the balanced program of Federal aid as conceived in the 1956 Highway Act;

- (3) According to the Bureau of Public Roads approximately 12,000 miles of the Interstate System are completed. Already the induced traffic generated by the new expressways is placing heavy demand for the improvement of connecting A-B-C roads. As additional mileage of interstate roads is open to traffic, the demand for improvement of connecting routes will become more acute. It is therefore essential that the amounts provided in H.R. 9725 for the fiscal year 1965 be approved if we are to main-

tain a proper balance between the development of the Interstate System and the A-B-C systems.

The members of this committee are well aware of the present inadequacies in our A-B-C highways. These inadequacies have concerned this committee for many years and in spite of the committee's efforts much remains to be done.

We have many thousands of miles of roads with insufficient lane widths, improper vertical and horizontal alinement, narrow bridges, inadequate signing and marking, wornout and outmoded paving.

In the course of the 4-year highway cost allocation study conducted by the Bureau of Public Roads pursuant to section 210 of the 1956 Highway Act, the State highway departments were asked to provide estimates, using uniform criteria, of the improvement needs and corresponding costs on the Federal-aid primary and secondary systems in the several States, for the 15-year period July 1, 1956, to June 30, 1971. The grand total of needs was set at \$71.641 billion. Under present conditions, approximately \$31 billion will be provided by Federal-aid apportionments and State matching, leaving approximately \$40 billion worth of projects to be financed without Federal aid or left undone. With this tremendous requirement, I believe we are fully justified in recommending the A-B-C authorization contained in H.R. 9725.

We see no objection to the proposal contained in H.R. 11199 to amend the highway law to provide additional authority for the use of Federal-aid apportionments for extensions of the secondary systems in urban areas. The effect of the proposed amendment is to give the States greater flexibility in meeting today's problems.

When I appeared before this committee last year to discuss the 1961 act, I expressed our sympathy with the objectives of the President's proposal regarding the relocation of families displaced by Federal-aid highway construction.

In going forward with our national highway program, we are committed to the principle of accomplishing the greatest good for the greatest number. We recognize that some individuals must be inconvenienced in order that the great majority may benefit. At the same time, we must take care that no individual be forced to undergo great and unnecessary hardship.

The State highway departments have made good progress in perfecting procedures to assure that building tenants in the path of highway projects are relocated without undue hardship. However, as long as any hardship cases occur, we should not be satisfied.

The American Road Builders' Association is most pleased that the Public Works Committee has seen fit to establish a Select Subcommittee on Real Property Acquisition, chairmaned by Congressman Cliff Davis to study all of the problems encountered, not only in the acquisition of right-of-way for the highway program, but in all other Federal and federally aided land takings as well. It is only by means of such a comprehensive study that the problem of tenant relocation can be viewed in proper context.

We are opposed, in principle, to any proposal which would go beyond the purposes for which the highway trust fund was set up, and which would result in added expenditures from the trust fund, unless provision is made, at the same time, for a commensurate increase in highway trust fund revenues. While it may be that the cost of the

proposed relocation program to the Federal Government is sufficiently small that expenses can be met from the trust fund without undue damage to the highway program, we are, nevertheless, firmly opposed to the establishment of any precedent which might open the door to future proposals to add unanticipated costs to the burden already carried by the highway trust fund.

We therefore recommend that the President's proposal regarding the relocation of families be referred to the Select Subcommittee on Real Property Acquisition.

The administration's proposal on the subject of planning for metropolitan areas is questionable principally because it would have the effect of imposing a new set of Federal regulations in a field where no need for such Federal regulation has been shown.

The American Road Builders Association fully supports coordinated planning of highways and other transportation facilities in harmony with the comprehensive planning process in metropolitan areas.

The State highway departments and the Bureau of Public Roads have good reason to take pride in the great contributions they have made in recent years in the comprehensive transportation planning field. Voluntary cooperation is much to be preferred over a rigid mandate imposed by legislation.

On the other hand, it would be helpful for the Congress to enact permissive legislation to make it perfectly clear that the Bureau of Public Roads has authority to obligate Federal-aid highway funds for participation in cooperative and comprehensive transportation studies.

The matter of expanding the research and development activities of the highway departments, the highway industry, and the Bureau of Public Roads is one which deserves careful consideration.

With the Bureau of Public Roads and the Highway Research Board exerting leadership, the State highway departments have increased their emphasis in these fields. The recently completed AASHO road test can be termed a major breakthrough in cooperative research and the future appears bright for continued efforts toward the improvement of materials, equipment, and construction methods through applied research and development.

The research activities conducted by the industries in the highway materials and highway equipment fields add up to an imposing amount of constructive activity directed toward greater efficiency and economy in roadbuilding operations as well as quality control.

The American Road Builders' Association has long recognized the value of close coordination between the research and development conducted by industry and the activities of Federal and State highway officials in these fields, especially in assuring that Federal and State specifications be kept up to date so that the products of research can be utilized promptly.

American Road Builders' Association activities in this respect are concentrated in the AASHO-ARBA joint cooperative committee.

I think that in describing the work of this committee, I would do well to quote the Federal Highway Administrator:

The joint cooperative committee of the American Association of State Highway Officials and American Road Builders' Association composed of about 25 representatives of the two associations and of the Bureau of Public Roads, operates to develop and encourage adoption of solutions to troublesome problems of mutual concern confronting the highway departments and the various segments of industry. It has been highly successful in accomplishing its objective. In addition

to the main committee, a number of permanent and ad hoc subcommittees have been organized to consider certain problems or phases of activity. Each of these subcommittees has a Bureau of Public Roads engineer as chairman and several State and industry representatives as members. Special task forces have been or are being established to work on specific individual subjects. The presently organized subcommittees are as follows:

- (a) Structural supports for highway signs.
- (b) Standard short span bridges.
- (c) Mixing time for portland cement concrete and asphaltic concrete.
- (d) Compaction of earthwork.
- (e) Development, appraisal, and recommendation of new construction equipment.
- (f) Development, appraisal, and recommendation of new maintenance equipment.
- (g) Development, evaluation, and recommendation of new highway materials.

As a result of the research and experimentation work and of the activities of the numerous committees described above, great strides are constantly being made in exploring, developing, evaluating, and applying new and improved materials, equipment, processes and methods to produce high quality of construction at lower costs and in less time.

We do not recommend that extraneous amendments be appended to H.R. 9725, but I would like to mention briefly several legislative matters which were the subjects of resolutions adopted by the American Road Builders' Association at its 60th annual convention last month in San Francisco.

I may say our association was honored by having Congressman Fallon and Congressman Scherer present and addressing our meeting.

We recommend:

- (1) Consideration by the Public Works Committee of legislative steps to halt the loss of money from the highway trust fund resulting from State and local taxation of the gross receipts of highway contractors, construction contracts, and sales and use taxes applied to highway materials and highway equipment. More than \$35 million per year is diverted from the highway trust fund to purposes other than the Federal-aid highway program by this practice, and the practice is continuing to grow.

Mr. SCHERER. May I interrupt, General?

I think both the chairman and I are sympathetic with this recommendation of the American Road Builders' Association. There are a number of other matters that deserve this committee's attention also with respect to modifications of the act, but I think it is the feeling that we would dispose of this authorization bill and then perhaps following that introduce some legislation which would take care of this particular provision and a number of other sound recommendations that have been made.

I for one do not want to open up, and I am fearful if we do introduce such legislation we will open up a Pandora's box of amendments, which might strangle the highway program, however, such as recommended in the Buckley bill, by providing money for removal of families and businesses.

Go ahead, sir.

General PRENTISS. I have three other recommendations which are not for incorporation in this bill because, as I said, we do not recommend that these extraneous amendments be appended to it, but I thought that—

Mr. SCHERER. You agree with my statement that we should consider those in a separate bill?

General PRENTISS. In separate legislation. Yes, sir. If it is agreeable to the committee, I will go ahead with these other three.

Mr. SCHERER. Yes. I just wanted to interrupt to say how we felt about that recommendation.

General PRENTISS. Yes, sir.

(2) Legislative action to restore the administrative regulation prohibiting the use of prison-made materials on Federal-aid highway projects. This regulation, which had been in effect for 25 years, was upset last fall by a ruling of the Comptroller General, and legislative relief is needed.

(3) Consideration by the Public Works Committee of a feasible means of reimbursing the States for toll roads and free roads not built with interstate funds but incorporated into the Interstate System, such reimbursement to come from the general fund of the Treasury.

(4) Legislative action to direct the Bureau of Public Roads to study the advisability of permitting the construction of a reasonable number of restaurants and service stations on the Interstate System right-of-way. As longer stretches of the Interstate System come into use, there are increasing complaints from motorists that they are inconvenienced by the necessity of leaving the interstate routes to find food, fuel, and service.

We are grateful indeed for the opportunity to appear before this committee and for the consideration which this committee has given in the past to the views of the American Road Builders' Association.

Thank you.

Mr. FALLON. Thank you very much, General. I must say that I agree with your statement almost in its entirety. You will recall my remarks at San Francisco. At the end of the meeting I touched on several of the recommendations which you make in your statement here this morning. We certainly think if we can keep this authorization bill as an authorization bill, then with reference to these other problems that need correction, we can go into them in a separate bill and take our time on it and we can do a better job on it. Mr. Scherer.

Mr. SCHERER. General, I notice you point out in your statement that the bill which I introduced provides only for \$950 million authorization for 1965, while the Fallon bill provides for a \$975 million authorization for that same year. As you will recall, the President and the administration recommended an expenditure of only \$950 million for 1965. I think you can understand that it would be almost impossible for a conservative Republican, who has been taking this administration to task for its excessive and unconscionable spending, to recommend an amount in excess of what the President recommends, even though it is in this program in which I am so much interested.

It is difficult for me to understand why the administration recommended only \$950 million for the year 1965 when in this same year this committee has before it a recommendation by the administration that we accelerate the public works expenditures if unemployment reaches certain levels—that we increase it by an expenditure of \$2 billion on public works programs—and also an amendment to that particular bill with the recommendation for the expenditure immediately of \$600 million on public works projects to relieve a current unemployment situation which the administration says exists in certain areas.

These two recommendations on the part of the administration must appear inconsistent to you, as they do to me. I am just at a loss to explain or understand it, because here we have a public works project in being. I just wanted to make that observation for the record here.

Mr. FALLON. If the gentleman will yield, you will recall 2 years ago the money or the fund for the Interstate System was very inadequate. The money just was not there. The Ways and Means Committee provided us with more money to put it back in balance. There was an amendment to accelerate the A-B-C program at that time and I opposed it because it would put the Interstate System further out of balance since there was not enough money even to continue the progress that was necessary to keep the program from slipping back. I wanted to keep both programs in balance.

Now that the Interstate System has been accelerated as far as money in the trust fund is concerned, I do believe it is incumbent on us to try to live up to the promises we made to many Members who do not have any Interstate System program in their districts.

In addition to that, without increasing the cost to any taxpayer, it will increase the amount of money expended on highways because of the 50-percent matching formula in the A-B-C program. It does exactly what the President is trying to do when he set aside the public works bill. It puts this money in every city and county in the country. They have more money spent on roads than if you do it on a 90-10 basis, and I am sure it still does not throw this fund out of balance.

Mr. SCHERER. I must say, Mr. Chairman, your reasoning is certainly sound. As I pointed out the inconsistency of the administration's position in this bill with reference to the other two legislative proposals—

Mr. FALLON. I am trying to correct that inconsistency.

Mr. SCHERER. It is more inconsistent because in the highway program we have the funds available in the trust fund, as you now pointed out, whereas in the case of the \$2 billion accelerated public works expenditure legislation and the \$600 million emergency expenditure recommended by the administration, it is obvious that that comes from the general fund, and there is no general fund today, so that is going to have to be borrowed.

Mr. FALLON. If the gentleman will yield, he joined me in making sure that the trust fund is not included in any way in the set-aside program.

Mr. SCHERER. At least we got an admission out of the administration when it was before us as a result of a very pertinent question you asked as to whether or not that legislation would enable the President to take money from the trust fund as he is permitted to take money from other funds and apply them to the emergency program. The answer of the administration was that it would not, but careful reading of the language of the legislation to my mind indicates that the administration might be able to reach into the trust fund to advance that program.

Mr. BALDWIN. Mr. Chairman.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. General Prentiss, I am not certain that I understand the first recommendation which you have made on page 10 of your testimony. You recommend that we give consideration to

legislation to halt the loss of money from the highway trust fund resulting from State and local taxation of gross receipts of highway contractors, construction contracts, and sales and use taxes applied to highway materials and highway equipment, and you state:

More than \$35 million per year is diverted from the highway trust fund to purposes other than the Federal-aid highway program by this practice * * *.

I am not sure I understand how you established the fact that \$35 million per year is taken out of the trust fund and diverted by this procedure.

General PRENTISS. Various States levy certain taxes against the contractor, and the contractor, in order to pay those taxes, has to increase the cost of his bid by the amount of those State taxes. In the case of an Interstate System contract 90 percent of what the contractor is paying to the State in the form of a gross receipts tax, or in the form of a sales tax on materials and equipment will come from the highway trust fund when the State is reimbursed by the amount of the contract. Of necessity the contractor must take into consideration these taxes that he must pay, when he prepares his bid.

Mr. FALLON. If the gentleman will yield.

Mr. BALDWIN. Go ahead.

Mr. FALLON. I state as a case in point that I had a letter from a contractor who wrote me and told me that in bidding on a job at this time he had to increase his bid \$30,000 due to the new State tax that was put on this contract.

Mr. BALDWIN. May I ask you a question? I am not sure. Do you feel we should take some steps to bar a sales and use tax on the highway materials? The constitutionality of State sales and use taxes has been pretty well established, and although I understand your point that maybe their costs are somewhat higher because of it, I do not quite understand how from a constitutional standpoint it would be proper for us to tell the States that they cannot levy sales and use taxes on highway materials when the States will be levying them on everything else.

Through what authority do we come in and say, "You cannot do this. You cannot levy them on this item but you can on every other kind of thing."

General PRENTISS. I think that authority already exists for granting exemptions from State taxes on certain Federal purchases. I am not positive of that.

Mr. SCHERER. May I interrupt?

Mr. FALLON. Yes.

Mr. SCHERER. General, aren't you chiefly objecting to the new laws which have been passed by some States which single out highway construction contracts and levy a tax on the gross amount of the contract?

General PRENTISS. That is right.

Mr. SCHERER. That is what you are particularly objecting to, is it not?

General PRENTISS. Right. And it ends up by having money appropriated by the Congress for the construction of highways which is turned over to the States in the form of a levy against the contractor, and then the State has that money to use for all other purposes.

Mr. BALDWIN. You could even say that about the property taxes that the contractor pays on the various items of equipment he owns, where he pays taxes on them to State, couldn't you? Are you advocating that we should pass a bill barring the State from levying any property taxes on the equipment a contractor has, even though I pay a tax on my automobile to the State?

General PRENTISS. No.

Mr. BALDWIN. Isn't the logic the same?

General PRENTISS. What we had in mind were these special taxes that are levied against a Federal-aid contract.

Mr. SCHERER. If I may interrupt again?

Mr. BALDWIN. Yes.

Mr. SCHERER. I think the gentleman from California, Mr. Baldwin, is correct, that it would be almost impossible for the Federal Government to pass legislation to eliminate regular State use taxes and sales taxes in connection with highway contracts, but I do think that some of this new legislation might be dealt with. How many States are there that have adopted this type of legislation? I think there are five States that have it specifically directed toward these contracts.

General PRENTISS. Yes.

Mr. SCHERER. What do you call it? A gross receipts tax?

General PRENTISS. A gross receipts tax.

Mr. SCHERER. Directed specifically toward these highway contracts. I think we could prevent that type of tax.

Mr. FALLON. I can see where the State legislatures do not get into much of a hassle over that because 90 percent of it is paid by the Federal Government, and it looks like an easy way to do it, because they feel in some State legislatures that the Federal Government has plenty of money, so it is an easy touch for them; and the public does not understand it, so there is no opposition to it coming from the public.

General PRENTISS. We felt, Mr. Chairman, that this was a matter that deserves consideration by the Government.

Mr. FALLON. It is a diversion of money that this Congress intended to use for the building of highways, and it is diverted into other programs in the State.

Mr. SCHERER. I think we can successfully attack the constitutionality of such a tax because it does not have uniform application. I am not thoroughly familiar with that type of tax, but as I understand it—and some men in the back row in the room there are shaking their heads—these are laws that have arisen since the 1956 act, and apply chiefly to these highway contracts. Is that right, General?

General PRENTISS. That is my understanding.

Mr. SCHERER. Those, I think, could be considered and might be held by the courts to be unconstitutional in view of the fact that they single out these particular contracts and do not have uniform application.

Mr. ROBISON. Mr. Chairman.

Mr. FALLON. Mr. Robison.

Mr. ROBISON. General, as the ranking minority member on the Davis Select Subcommittee on Real Property Acquisition, I am interested in and inclined to agree with your remarks relative to the relocation proposal. The Federal machinery we now have for the acquisition of real property for the various purposes in which the

Federal Government now has an interest—the list of which is growing every day—is at best a sort of patchwork quilt. The payment of relocation costs here and there is only one of the patches on that quilt. I would regret to see any action taken by this committee which would add another patch that would not have uniform application throughout the whole structure of the machinery which applies to the acquisition of real property for Federal or federally aided purposes.

There may well be merit, as you mention in your statement, in this proposal, and perhaps considerable merit. There is a bill, as you are aware, introduced by Senator Scott in the Senate, in which the two Senators from New York joined—Senators Keating and Javits—

Mr. SCHERER. That is no recommendation.

Mr. ROBISON. It is not quite the same proposal as this, but again a sort of piecemeal approach on the highway program only. I would be inclined to agree with the statement made by Mr. Fallon a moment ago that it would be best for the Davis subcommittee, as you suggest, to take a comprehensive look at this problem not only for the highway area but for all areas connected with real estate acquisition, and then to consider it in a separate proposal. I appreciate your suggestion along that line.

Secondly, as a New Yorker, I am also happy to find that—and it has been a little hard to find one lately—that I have an ally with respect to reimbursement for those miles of road that have been incorporated into the Interstate System. I continue to believe that an inequity exists here—an unintentional one, but an inequity nonetheless—and I am very grateful to find somebody else thinks so and believes that these States should be reimbursed for this incorporated mileage.

Mr. SCHERER. Will the gentleman yield? Mr. Robison and the general will agree that this reimbursement should come in mileage rather than in dollars.

Mr. ROBISON. Not personally. What does the general say on that?

Mr. SCHERER. He does not say. He is silent, but I gather from the organization he represents he would rather have that reimbursement in the form of highway mileage to the States rather than in cash.

Mr. ROBISON. If the gentleman will yield back to me I will ask the general for a comment. There are pros and cons in both areas. Miles, certainly in New York State, might cost a great deal more in dollars than mileage elsewhere. Then, too, the location of the New York State Thruway, which is our main point of contention here, for all I know was more costly than substitute mileage would be elsewhere throughout the State. Do you have any comment, General?

General PRENTISS. Our feeling is that a clear formula should be developed which would result in a reimbursement to the States for the difference between what they would have gotten under the 90-10 formula, and what they actually got under whatever system the road was built; and that that money should be appropriated from the general fund of the Treasury in view of the fact that at the time those roads were built all highway appropriations were coming from the general fund of the Treasury, and not from the highway trust fund; and in view of the fact that the highway trust fund does not have funds in it for such reimbursement.

However, we believe that where such funds are reimbursed to the States, that they should be reimbursed with a string on them, requiring that the States utilize those funds for additional highway construction rather than diverting those funds to some other purpose.

Mr. SCHERER. To reimburse the States my recollection is it would cost about \$4 billion, or a little over \$4 billion. In the foreseeable future I see no chance of getting out of the general fund an additional \$4 billion. Senator Byrd indicated we are going to have a deficit next year of \$10 billion and possibly it will run to \$12 billion. That is going to be all borrowed money.

Mr. FALLON. If the gentleman will yield, Maryland is taking a very different stand on it. They have sent the money back to the Federal Government for the Northeast Expressway and are going to build it under a toll, which just proves that this program is not moving fast enough for the needs in the States. So if you start reimbursing at this moment you are going to retard the program that much more and you will find more toll roads will be built because of the Federal Government not moving as fast as is necessary for the solution of traffic problems.

Mr. SCHERER. Ohio would get a good share if we had reimbursement, but I cannot see in the foreseeable future how you will get \$4 billion additional out of the general fund or trust fund.

Mr. ROBISON. My friend from Ohio knows I heartily concur with him—

Mr. SCHERER. I sympathize with you because Ohio is in the same position.

Mr. ROBISON. Let me say, Mr. Scherer, you know I heartily concur with you in the support of the concept of fiscal responsibility, but the thing that bothers me, as I have said before, is that if an inequitable situation exists here, are we to permit the cost of doing equity to blind us to that principle of doing equity? Is the cost of doing right such that we can never do it? It is a difficult question for me to answer in the affirmative.

Mr. SCHERER. I learned in law school that he who seeks equity must do equity, so your reasoning is right, except in this case it is impossible.

Mr. ROBISON. I yield the floor.

Mr. FALLON. Are there any other questions? If not, General, on behalf of the committee may I thank you for your very fine statement this morning.

General PRENTISS. Thank you for the opportunity to appear before you.

Mr. FALLON. We have as our next witness this morning Mr. M. Clare Miller of the Associated General Contractors, and he is accompanied by Mr. Walter F. Maxwell and Mr. W. Ray Rogers of Portland, Oreg., and Mr. Jim Sprouse.

I forgot to acknowledge when the American Road Builders were making their statement that Mr. Burton F. Miller, deputy executive vice president of that association, was here as well as somebody who is not strange to this committee and who has been here for many years, Capt. Charles D. Curtiss, special assistant to the executive vice president of that organization.

On behalf of the committee may I say to you gentlemen from the Associated General Contractors that we are very happy to have you

here this morning. We have some distinguished witnesses here today and may I say what I said to General Prentiss; namely, that your association and your officers and men have been a great help to this committee in providing the information necessary to have this program go forward.

STATEMENT OF M. CLARE MILLER, McPHERSON, KANS., ACCOMPANIED BY WALTER F. MAXWELL, FONTANA, CALIF., AND W. RAY ROGERS, PORTLAND, OREG., APPEARING ON BEHALF OF THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.

Mr. MILLER. Thank you very much, Mr. Chairman.

Mr. Chairman and members of the committee. I am Clare Miller, president of the San Ore Construction Co., McPherson, Kans. I have just completed a term as president of the Associated General Contractors of America, an organization composed of nearly 7,300 of the Nation's leading general contractors. Nearly half of these are highway contractors, and many others perform work related to highways. I appear before you as their representative.

I am accompanied here today by two distinguished highway contractor members of our association: Walter F. Maxwell, president of the W. F. Maxwell Co., Fontana, Calif., and W. R. Rogers, president of the Rogers Construction Co., Portland, Oreg.

Mr. Maxwell is chairman of the AGC Highway Contractors' Division, a member of our executive committee, a past president of our southern California chapter, and a longtime member of our joint committee with the American Association of State Highway Officials.

Mr. Rogers is serving his third year as cochairman of our joint committee with the American Association of State Highway Officials, is a past president of our Portland chapter, a past chairman of the highway division, and has served 4 years on our executive committee.

I have drawn heavily on the counsel and experience of these gentlemen in the preparation of this testimony.

AGC SUPPORTS H.R. 9725

Highway contractor members of the AGC, according to an analysis of Bureau of Public Roads figures, perform 70 percent of the Federal-aid construction on the primary system and Interstate System. This important part of the industry, and our association as a whole, firmly supports H.R. 9725, proposed by the chairman to continue construction of the ABC system on an orderly basis.

At our 43d annual convention, held this year in Los Angeles, the following resolution was adopted:

FEDERAL HIGHWAY FUNDS

The 43d Annual Convention of the Associated General Contractors of America, meeting in Los Angeles, Calif., February 26-March 1, 1962, urges the 87th Congress to enact H.R. 9725, introduced to provide funds necessary to permit the continued orderly expansion of the primary, secondary, and urban road system.

SIZE OF ABC PROGRAM

We note that H.R. 9725 provides \$950 million for fiscal 1964 and \$975 million for fiscal 1965, thus returning to the intent of Congress regarding incremental increases in the A-B-C program as indicated in the hearings on the Highway Act of 1956. A point of great merit in the A-B-C program is its orderly continuation from year to year, a point we have emphasized in each of our appearances before this committee. This feature—a sustained level of contract awards—has a direct bearing on the level of contract costs to be expected. It is impossible to conduct a highway construction program economically on a stop-and-go or peak-and-valley basis.

The responsible highway contractor of today must be able to plan ahead for the expected amount of construction work obtainable in order to conduct his business enterprise in an effective and efficient manner. We believe the bill we are discussing encourages and supports orderly planning.

HIGHWAY CONSTRUCTION IS LARGE EMPLOYER

The A-B-C program, like other highway construction, is a prime generator of employment. According to the Bureau of Public Roads, each billion dollars of Federal-aid highway construction provides onsite employment for approximately 48,000 men, with a weekly payroll of about \$4,650,000.

In addition to the onsite employment, there is at least as much and probably more offsite employment generated. The bill you are considering will provide, with State matching funds, \$3,850 million, or employment for 192,000 men earning a weekly payroll of about \$18,600,000.

DIVERSION OF HIGHWAY FUNDS

We also wish to restate at this time our long standing opposition to the use of money in the Highway trust fund for any purpose other than the construction of highways and administrative functions of the Bureau of Public Roads.

In this connection, our 43d annual convention adopted a pertinent resolution on a matter with which we are particularly concerned. It reads:

TAXATION OF HIGHWAY CONTRACTS AND MATERIALS

Whereas certain State and local taxes are estimated to cost the Highway trust fund \$50 million a year; and

Whereas this reduces by the same amount the funds available for the construction of highways, the purpose for which the trust fund was established: Now, therefore, be it

Resolved, That the 43d Annual Convention of the Associated General Contractors of America, meeting in Los Angeles, Calif., February 26-March 1, 1962, urges the 87th Congress to enact legislation prohibiting Federal-aid participation in taxes applied to gross receipts of highway contractors, and sales taxes applied to materials used in highway contracts.

Such taxation is, of course, borne largely by the trust fund, 50 percent on A-B-C construction and 90 percent on the interstate.

We urge this committee to give this matter serious consideration at the proper time, and to take any action possible to eliminate those discriminatory taxes.

EXTENSION OF DAVIS-BACON AND 8-HOUR LAW OPPOSED

We are opposed to any further extension of the Davis-Bacon prevailing wage law and the 8-hour overtime law to construction of the ABC and interstate highway programs. We feel that any further extension of the prevailing wage law to include fringe benefits, and application of the 8-hour principle to Federal-aid highway work is not only unjustified, but completely unrealistic.

Proposals to extend these laws are now pending before the Congress. The 8-hour extension proposal was voted on by the House on April 16 under "suspension of rules," and the Davis-Bacon extension bill is pending before the House Rules Committee. We understand the Senate Labor Committee is also studying the possibilities of acting on these measures. Such actions, in our opinion, would be wasteful and inflationary, and would have a disruptive effect on not only the Federal-aid program but on State and local programs as well. We strongly oppose any such moves.

We realize that these matters are not before this committee, but we hope you will give our views consideration.

ABC SYSTEM VITAL TO NATION

We do not desire to detract in any way from the importance of the Interstate System, but we believe that the primary and secondary roads are still the most important to the vast majority of our people in their daily lives. The farmer hauling his produce to market, the wage earner commuting to work, the housewife on her errands—to these and millions like them the A-B-C system is a necessary and vital part of their lives.

This committee has always demonstrated a keen understanding of these needs, and has taken constructive steps to meet them. We have every confidence that you will continue to uphold that record.

COMMENTS ON OVERALL PROGRAM

Mr. Chairman, we cannot, in all good conscience, appear before this committee, which initiated action on the expanded highway program, without respectfully bringing to your attention the detrimental effects—certainly unanticipated by the Congress—that recent events have had on the highway program and on the highway construction industry. First, however, we wish to assure you that we do not, and have never, questioned the right of the Congress to examine, in depth, the conduct of those carrying out the program which it authorized. Neither do we question the right of the General Accounting Office to determine that the funds authorized by Congress are properly used, or the right of the Bureau of Public Roads to exercise its proper function as the senior partner in the construction of the Federal-aid highway system. We believe these to be the clear-cut duties of those agencies of the Government. We are, however, deeply concerned over, and we suffer from, the reaction to those functions by those who supervise, inspect, and approve our work.

The Associated General Contractors agrees with and supports the exposure of any evidences of wrongdoing, even though they have in some instances been embarrassing to us. But we believe just as

firmly that a proper perspective is vital to the welfare and success of the entire program.

The public, for example, believes what it reads, despite the lack of factual support, and the impression left with the general public by some irresponsible reporting of the congressional investigations is that all State highway employees are corrupt, that all highway contractors are dishonest and that all highways are poorly built.

We would like to refute these gross, unfair exaggerations.

Mr. SCHERER. You said they believe all are. Would you say that half of the State highway officials should be in jail?

Mr. MILLER. No, sir.

A prominent Member of Congress recently said: "I have often stated that the overwhelming majority of highway officials and employees are competent, conscientious, hard working, and too often overworked and underpaid." Every highway contractor in the United States would agree with that statement. Unfortunately, however, this statement appeared in an engineering magazine of limited circulation, while a magazine of multimillion circulation says: "Half the country's State highway officials ought to be in jail." This is an unwarranted, unsupported indictment of one of the most loyal and dedicated groups of public servants in the country, and its author should prove the charge or apologize for it.

I have been closely associated with the highway officials of this country for more than 30 years. I am proud of that association, and I know, from personal knowledge, that such a charge is completely baseless.

I have exactly the same high regard for the ability, honesty, and integrity of the employees of the Bureau of Public Roads.

There are approximately 10,000 contractors in the United States qualified to bid Federal-aid highway work. Fifteen of these have appeared before the investigating committee. After thorough investigation, eight of these were barred from bidding on Federal or Federal-aid highway projects. This, we believe, is a good record for an industry of this size.

Speaking for the AGC, we do not condone any wrongdoing by our members or their employees. The principles of ethical conduct, as defined by the AGC code of ethical conduct, and their effect on the prestige and dignity of the industry, were discussed at length at our New Orleans board meeting last October, and the following statement was adopted there:

REAFFIRMATION OF PRINCIPLES OF ETHICAL CONDUCT

Many thousands of large and small construction contracts are carried out annually by members of the Associated General Contractors to the complete satisfaction of their clients, both private and public. However, in view of recent disclosures of improper practices by a few contracting companies, the board of directors of the AGC hereby restates the principles of ethical conduct for members of this association, as follows:

"The Associated General Contractors of America has never condoned improper practices or substandard performance, and wishes to reassure the public and all buyers of construction that the motto of the association, 'Skill, Integrity and Responsibility,' is to be followed in its strictest sense. Our code of ethics requires 'scrupulous avoidance of any action which might not prove compatible with the public interest.' Any conduct which does not meet these standards is indefensible.

"Any member will be asked to resign whose actions are proved to show a willful disregard for the public interest as embodied in the principles of AGC.

"Further, every member of the AGC, his agents, and employees must avoid any situation which might be construed as an act of improper influence of any person representing his client, either public or private."

On January 26, 1962, the Bureau of Public Roads suspended the contractors already mentioned. Some of those were AGC members. The principles of our New Orleans statement on ethics were then applied, and this association now has no members barred from bidding public works projects.

Of the more than 139,000 miles of new Federal-aid highways built since the enactment of the 1956 act, 405 miles have been the subject of congressional investigations; 9.6 miles of this is unacceptable to the Bureau of Public Roads. This, we submit, is also a good record.

In the same period of time Mr. Maxwell's organization built 96 major highway structures in California at a cost of \$19,900,000; Mr. Rogers' firm built more than \$42 million worth of highways and highway structures in Oregon, Washington, Idaho, and Alaska; and my company built more than \$40 million worth of highways and highway structures in the midwestern part of the United States.

There has never, to our knowledge, been any question concerning the quality of this work or the integrity and honesty of the firms or their employees. And this is the rule, not the exception. Neither are they isolated cases—the vast majority of highway contractors are just as dedicated to seeing that the public receives full value for its highway dollar as are you gentlemen.

CHARGES OF WASTE REFUTED

It has been stated in the press that: "The broad new highways are paved with waste." This is a serious charge, one on which we would also like to comment. The highway contracting industry is highly competitive, and this competition is itself the best protector of public funds. In the calendar year 1961, 38,466 separate bids were received for the 6,653 highway contracts awarded, an average of 5.8 bids per job. The 6,653 contracts were awarded to 3,750 different firms, at prices ranging from slightly less than 1 percent to 20.1 percent under the engineers' estimates for those jobs. This represents not a waste, but a savings to the taxpayer of \$298,856,014 in 1961 alone.

In the years 1957-61, the engineers' estimates for all Federal-aid highway work was \$16,643,583,555. This is what the States considered a fair and reasonable price for this work. In fact, however, the contractors built it for \$14,978,925,200, 10 percent below those estimates. This represents not a waste, but a savings of \$1,664,658,355.

It remains clear, therefore, that free and open competitive bidding is the most effective guardian of public works money.

Highway contractors are today performing common excavation for almost exactly the same unit prices as they did 40 years ago, although during that time wage rates, material prices, and equipment prices have risen tremendously. The answer then can lie only in improved methods and techniques of construction, and in the contractor's willingness to invest large amounts of capital in new equipment of high productivity. Thirty years ago, for example, a highway contractor could equip himself to do a million dollar job for \$200,000. That same spread today would cost more than \$2 million.

The average highway contractor is constantly seeking ways to improve his operations, to eliminate waste, and to place himself in a stronger competitive position. He must do this or he cannot survive.

This self-improvement is not a new or recent endeavor; the cooperative activities of the AGC and the American Association of State Highway Officials began in 1921, and have continued for 41 years. These activities have resulted in improved specifications, methods, equipment, materials, construction practices, and, most important, tangible savings to the public.

Another telling indication of the high level of competition is the fact that there were more failures in the contracting industry in 1961 than any year since 1934. If a construction contractor cannot remain competitive he very quickly becomes a business casualty.

HIGHWAY CONSTRUCTION COSTS INCREASING

But, regardless of how efficient or competitive the contractor may be, there are factors beyond his control which are increasing the cost of the highway program, and we consider it the obligation of our association to bring those to the attention of this committee.

We realize that it has never been the intent of the congressional investigations to frighten highway department employees or to preclude their exercising their vested authority. In fact, however, the unforeseen byproducts of the investigations have had just that effect. The inflammatory, derogatory, and slanted articles in certain newspapers and magazines and the ever-present fear of being summoned to appear before an investigating committee has instilled in many inspectors and project engineers a sense of caution amounting almost to a reluctance to make any decision which might conceivably be questioned in any way or to any degree. Such caution is, under the circumstances, perfectly natural, but progress of any kind, in any field of endeavor, involves risk. One of the risks inherent in any professional man's career is making decisions, and while they are often difficult, they must be made or there will be no progress. But we find necessary and timely job decisions increasingly difficult to obtain, and far too much time is lost by the contractor in waiting for decisions which must travel up and down the complete chain of command.

Any delay in the prosecution of a construction job is a cost factor, and must, inevitably, be reflected in the contractor's bid prices. As evidence of this, we offer the following: In April 1960, during the Oklahoma hearings, the Bureau of Public Roads initiated new, severe record sampling requirements and, at almost the same time, notified the States that there must be posted on each Federal-aid project a notice stating the penalties which could be applied, to engineers and contractors alike, for any violation of rules or law.

We did not then, nor do we now, question the correctness or propriety of those actions. We are concerned only with their interpretation by, and their effect on, the field personnel of the Bureau and the State highway departments. The result was, and continues to be, delays on decisions, testing, inspections, and change orders. And the end result has been increased prices. Since April 1960, contractors' bid prices have increased 5.8 percent.

This increase represents a substantial amount of money. Almost \$24 billion remains to be expended for construction on the Interstate

System alone; 5.8 percent of that is \$1,392 million. If the conditions we have described continue, prices will continue to increase, and the Congress will eventually be confronted with the hard choice of either reducing the size of the Interstate System or again increasing taxes to pay for it.

PROGRAM NEEDS CONFIDENCE AND SUPPORT

Is there any remedy? We believe there is. We believe the Congress should assure the personnel of the Bureau of Public Roads and the State highway departments that as long as they carry out their assignments honestly and efficiently, and render decisions based on sound engineering judgment, they are in no danger of being summoned before a committee of the Congress to explain or justify those actions. We sincerely believe, Mr. Chairman, that that action alone would save the public millions of dollars and would also restore the atmosphere of stability so badly needed by the industry. Otherwise the cure may quite well prove to be more costly than the disease.

The Bureau of Public Roads-State highway department-contractor team has worked well, and has served the Nation well, for 46 years.

But teamwork does not mean collusion.

Nine and six-tenths miles of unacceptable highways does not mean that all 139,000 miles are bad.

Eight contractors barred does not mean that all 10,000 are dishonest.

There is a good side to the Federal-aid highway program, and we respectfully urge the Congress to recognize, acknowledge, and publicize that side along with the other side.

The program today needs and deserves restored public confidence and support. It also needs and deserves the confidence and support of the Congress of the United States.

That ends the testimony. Thank you, sir.

Mr. FALLON. Mr. Miller, on behalf of the committee I should again like to thank you for coming here this morning. Mr. Scherer. Mr. Baldwin.

Mr. BALDWIN. Mr. Miller, the implication of your statement seems to be that you feel our Highway Investigating Subcommittee has been the major item responsible for an increase in highway construction costs of 5.8 percent in the last 2 years. I might say that those of us who serve on the Highway Investigating Subcommittee have felt it has served an essential function. We do not share the feeling which seems to be implied in your statement that Congress now thinks that the highway program is unjustified, or else we would not be here prepared to pass a bill which would authorize \$950 million or so a year for the next 2 years for the A-B-C program.

However, we have found, through the hearings of that Highway Investigating Subcommittee, that there were misuses of Federal funds, and it was our job as representatives of the people to look into it. I personally cannot believe the implication of your statement, that the Highway Investigating Subcommittee is the major reason for an increase of 5.8 percent. I cannot believe that is the actual fact. Let me ask you this question: Have there not been factors in the way of highway costs of construction that have gone up in the last 2 years? What about your labor and material costs in the last 2 years?

Mr. MILLER. They have increased some—not very much, but they have been increasing for the 2- or 3-year period prior to the backlog after the investigations, and we had not raised prices. As a matter of fact we had lowered them over a 2-year period in the face of increased prices of labor and materials.

Mr. BALDWIN. In the face of increased prices of labor and materials. Would you care to estimate what percentage increase you have experienced in the last 2 years in materials and in labor?

Mr. MILLER. We have some facts on that. I hope I have them with me. Probably 2 percent.

Mr. BALDWIN. For the entire 2 years, or for each year?

Mr. MILLER. For each year.

Mr. BALDWIN. That is a total of 4 percent?

Mr. MILLER. Yes, sir.

Mr. BALDWIN. There has already been testimony by the American Road Builders Association and by you that you have had additional taxes levied by the States, because you have advocated in your statement that we take action to try to get those taxes repealed, so it appears pretty clear from your testimony you have also had an increase in State taxes. Is that not true?

Mr. MILLER. Yes, sir.

Mr. BALDWIN. Then in fact you have had an increase of 4 percent in the 2-year period in materials and labor, plus an increase in State taxes; and I don't think personally that the implication of your statement is a fact, namely, that the primary responsibility for a 5.8-percent increase in costs was the result of the Highway Investigating Subcommittee.

(The following was furnished for insertion:)

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.,
Washington, D.C., April 24, 1962.

HON. GEORGE H. FALLON,
Chairman, Roads Subcommittee of the House Public Works Committee, Congress of the United States, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: In the testimony we presented before your subcommittee on April 18, 1962, we stated that since April 1960, contractors' bid prices on Federal-aid highway construction had increased 5.8 percent.

Congressman Baldwin then asked what part of this increase resulted from higher wage rates and increased costs of materials and equipment. In further response to that inquiry we submit the following: In the period of time to which we referred—April 1960 to January 1962—wage rates increased 7 percent, equipment costs increased 0.7 percent, and the cost of materials declined 3 percent. The composite increase of these three is 2.1 percent. The source of these data is the Bureau of Public Roads.

We did not intend to attribute the entire 5.8 percent increase to the situation described in our testimony. Based on the figures above, however, there remains a 3.7-percent increase—aside from wages, materials, and equipment—which, in our opinion, does reflect that situation.

It is respectfully requested that this letter be inserted in the record of the hearings at the proper place.

Very truly yours,

M. CLARE MILLER.

Mr. SCHERER. Will the gentleman yield?

Mr. BALDWIN. Yes.

Mr. SCHERER. As I remember it, construction costs increased about 8 percent between 1954 and 1958, and starting in 1958, in the latter part of 1957, there was a general decline in construction costs up through 1960. Is that right?

Mr. MILLER. That is right.

Mr. SCHERER. At least I made that statement as a result of statistics that I studied. Now, has that decline been due to greater competition and improved methods of construction since 1958?

Mr. MILLER. That is right.

Mr. SCHERER. Is there any question about it that highway construction costs have declined since 1958? If so, I have been in error.

Mr. MILLER. They either declined or held virtually a straight line, and these cost increases were not greater, or were equally as great during that period as they have been during the last year since this increase started. We could only gather from that and from our own experiences where the differences in our costs could come from. We were able to hold the line through increased productivity and increased capacity of equipment. We were able to hold the price line despite that average increase.

Mr. SCHERER. Mr. Chairman, I made that statement so often in speeches that I wanted to ask the American Road Builders Association whether the statement I have just made is substantially correct. If not I would like to have the record corrected. General Prentiss, would you answer that?

General PRENTISS. As I recall, the statement which you made is correct, namely, that since 1958 prices have flattened out and have been practically in a straight line rather than a continuing increase as they did between 1954 and 1958.

Mr. SCHWENGEL. Mr. Chairman.

Mr. FALLON. Mr. Schwengel.

Mr. SCHWENGEL. First I would like to say this, Mr. Miller: I appreciate having you here before us and having the benefit of your testimony, and I wish to say to you and to the committee that I respect your organization highly. I have known about your organization and its activities since I have been in public life, which dates back to the time when I was a member of the Iowa Legislature, and a member of the roads committee there. Not always did I agree with the suggestions and propositions you have presented to the legislature, nor have I always agreed with the positions you have taken here in the Congress, but generally speaking I am glad to tell you that I respect your organization and I know you are trying to do a conscientious job.

Mr. MILLER. Thank you, sir.

Mr. SCHWENGEL. I think this is a fine statement you have made here before this committee, and I will have some questions later. But first on this question of increased cost that may relate to the investigation. As I interpret your testimony you are not objecting to the investigations we are carrying on. Is that right?

Mr. MILLER. Not at all.

Mr. SCHWENGEL. It is the opinion and position of your organization that you want to get the crooks wherever they are, and you want to see them prosecuted.

Mr. MILLER. We certainly do.

Mr. SCHWENGEL. To the limit of the law you want them prosecuted, and you want to clear the air because this is in the public interest and certainly in the interests of private enterprise.

Mr. MILLER. Yes, sir.

Mr. SCHWENGEL. But you are objecting, and I agree with you, to unfair publicity that has emanated at least indirectly from this committee, and which has appeared in certain magazines. I agree with you on this and I support you. I also think we ought to pay tribute to the people in the contracting business for the constructive contributions they have made. You have in many instances reduced the cost despite the rising costs of material, and despite inflation. For this we should salute you and for this we ought to applaud you and the virtues and the efforts of private enterprise.

In your testimony you made reference to the failures and I wonder if you would be in a position to elaborate briefly on the causes of casualties among highway contractors.

Mr. MILLER. It is a very noticeable cause. Just too much competition.

Mr. SCHWENGEL. Too much competition?

Mr. MILLER. Which results in too low bidding and, therefore, a contractor cannot remain in this business, which requires such a terrific outlay of capital expenditures for a competitive spread.

Mr. SCHWENGEL. That raises a good point. How much capital do you have to have on hand and how much investment do you have to have? Let us take, for instance, a bid on a \$1 million job.

Mr. MILLER. It would depend somewhat on the type of work. If it was a turnkey job that required all factors of grades, bridges and paving, which most of them are now like, it would take in excess of \$2 million worth of equipment, plus sufficient finances to meet your estimates as they are determined.

Mr. SCHWENGEL. So unless a contractor can see that he has an opportunity to bid in the future and stay in this business, it certainly is not a good business for him to invest in for one job.

Mr. MILLER. No, it is not.

Mr. SCHERER. What is the greatest risk business in the world?

Mr. MILLER. I would say construction.

Mr. SCHWENGEL. That is all.

Mr. SCHERER. Are there more failures in the contracting business than in any other business outside of grocery stores or restaurants?

Mr. MILLER. The mortality rate is extremely high. I do not know if I can compare these.

Mr. SCHERER. Groceries and restaurants I think have the highest number of failures.

Mr. SCHWENGEL. You said there were 10,000 contractors in the United States who build highways. Do you have any idea of how much investment they represent?

Mr. MILLER. It would be a staggering figure, but I am sorry, I do not know what it would total. There are all sizes, as you recognize, and it would be hard to say.

Mr. SCHWENGEL. Is there some way to get that figure?

Mr. MILLER. Yes. I think I could.

Mr. SCHWENGEL. It would be a very interesting figure for us to have in the record.

Mr. MILLER. There are single pieces of equipment now that cost in excess of \$100,000 per unit, and we need that type to be competitive.

Mr. SCHWENGEL. Almost anyone who builds and bids on the Interstate System has to have this equipment.

Mr. MILLER. He needs to have it to be competitive.

Mr. SCHWENGEL. If it is possible to get that figure I would like to have it.

Mr. MILLER. We will get that.

Mr. SCHWENGEL. Thank you.

Mr. FALLON. Mr. Miller, would you say that the contracting business is more of a hazard than being a Member of Congress? I think we have more casualties every 2 years than you do. Mr. McFall.

Mr. McFALL. You did not touch on this in your testimony, Mr. Miller, but what would be your attitude toward the provision in the bill for forest development roads and trails on which the bill provides some \$40 million? Would you be for or against an increase in that amount of money for forest development roads and trails, or do you have any opinion on it?

Mr. MILLER. Well, it would be extremely difficult for a contractor ever to be against any increase in a market provided for him, so I would say we would be for it.

Mr. McFALL. Thank you.

Mr. FALLON. Are there any other questions? Mr. Miller, let me again, on behalf of the committee, thank you and your associates for coming down here this morning and giving us the benefit of the long experience and knowledge you have acquired over the years in the construction business.

Mr. MILLER. Thank you very much.

(The following was furnished for insertion:)

THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC.,
Washington, D.C., April 24, 1962.

Subject: H.R. 11199.

Hon. GEORGE H. FALLON,
Chairman, Roads Subcommittee of the House Public Works Committee, Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FALLON: Attached is the supplemental statement of this association on the above bill which we will greatly appreciate your placing in the record at the appropriate place.

Very truly yours,

M. CLARE MILLER.

Attachment.

STATEMENT OF THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA, INC., TO
SUPPLEMENT TESTIMONY BEFORE THE ROADS SUBCOMMITTEE OF THE HOUSE
PUBLIC WORKS COMMITTEE ON APRIL 18, 1962

This supplemental statement comments on certain provisions of H.R. 11199.

SECTION 2(1)

We support the authorizations for the A-B-C system for the fiscal years 1964 and 1965 as proposed in H.R. 9725. Our members are unanimous in their support of this provision.

SECTION 2(2)(3)(4)(5)(6)(7)(8)

We support these authorizations, provided they are not financed by the highway trust fund.

SECTION 4—ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES

While we are not directly affected by this provision, it seems to us to be a logical solution to an often vexing problem. We are, however, as we have already testified, opposed to the use of trust fund money for any purposes other than the construction of highways and the administrative functions of the Bureau of Public Roads.

We support this provision, provided its expenses are not borne by the highway trust fund.

Mr. FALLON. Our next witness this morning is the Honorable Al Ullman, our colleague from Oregon. He is to present Mr. Tollenaar and Judges Ogle and Rea from his State.

**STATEMENT OF HON. AL ULLMAN, A MEMBER OF CONGRESS
FROM THE STATE OF OREGON**

Mr. ULLMAN. Chairman Fallon and members of the committee, I appreciate the opportunity to appear before you on this most important legislation. The national forests play a key role in the economy of my district, my State, and indeed, of the Pacific Northwest. Access roads similarly play a key role in the management of our national forests—not only from the standpoint of timber conservation and sale, but from the standpoint of all aspects of multiple-use management of our forest resources.

The President has requested an increase in the authorization level for forest development roads and trails. I am extremely pleased that he has done so, as it is a request which, in my opinion, is overdue. In frankness, though, I do not believe that the President's request calls for a sufficient increase to meet the needs of the situation. As you know, I have sponsored a measure, H.R. 10619, which would provide substantially larger increases in this authorization level over the next 3 fiscal years. I am before you to urge your sympathetic consideration of the levels which are called for in my bill.

The administration bill would provide for a level of \$50 million in the coming fiscal year, rising to a level of \$70 million in fiscal year 1964 and to a level of \$85 million in fiscal year 1965. My bill would provide for a level of \$67.5 million in the coming fiscal year, \$90 million in fiscal year 1964, and \$120 million in fiscal year 1965. The larger figures called for in my bill are based directly on the needs indicated by the Forest Service itself and submitted to the Congress by the President last September in the development program for the national forests. This program forecasts a need for access road construction amounting to \$1.2 billion over the next 10 years. To meet that need it is clear that annual investment in development roads will have to rise to the \$120 million goal set in my bill and, I would add, the current critical situation in the American lumber industry requires that it do so as soon as possible.

Having thus stated the need as I see it for more substantial increases, I want to devote the remainder of my brief statement to the general case for construction of access roads on an appropriated basis rather than by timber purchasers. The factors which I will list apply to both the increases called for by the President and, even more strongly, to the somewhat larger increases which I am urging.

First, I want to stress that expenditures on forest development roads and trails represent an investment. There is a tendency to think that if timber purchasers are required to build access roads, the Government somehow saves money. I am sure that you gentlemen are aware that this is a fallacy. When the timber purchaser is required to build access roads, the price which he pays for the timber is reduced by the cost of the road so that the timber revenues, in effect, pay for the road in either event. Construction of forest access roads by the Forest Service itself has several advantages not only for the Government, but also for the timber purchasers and for other users of the national forest.

From the standpoint of the Forest Service, their construction of access roads makes possible more efficient and economical management of our timber resources. For example, the location and type of road can be based on factors other than just the harvestable timber—it can be based on recreation potential, fire control needs, and long-range sale plans. In addition, when the Forest Service builds the access roads, more prospective timber purchasers are in a position to bid on a sale, including the smaller loggers and mills who are not in a position to construct access roads as a part of timber purchase contracts. This means more competitive bidding and higher returns to the public from the sale of their timber resources. Furthermore, it seems to me that the argument can be made that the Forest Service can build its own roads on a more economical cost-per-mile basis, because of the economies of scale which can be taken advantage of.

From the standpoint of timber purchasers themselves, there are clear advantages to be gained from Forest Service construction of development roads. Not only does this open sales to many bidders who would otherwise not be in a position to participate, as I have already indicated, it also eliminates the substantial lag between bid and harvest that is involved when the purchaser must construct access roads prior to harvesting the timber bid on. This factor means that the timber industry does not have to bid on a sale on the basis of this year's lumber market and then sell the timber on next year's market—which may be substantially different—as is so frequently the case when considerable access road construction is involved in a sale contract.

Finally, as I have previously noted, the increasing importance of recreational and other uses of our national forests furnishes another strong argument for an expanded development road program to be carried out by the Forest Service itself. When access roads are built by timber purchasers, they tend to be related primarily to the timber harvesting aspect alone. When the Forest Service plans and builds its own access roads, the result can be much greater development of the recreational potential of the forest.

In short, our forest development road program is an essential and increasingly important part of multiple-use forest management. The careful projection of needs made by the Forest Service last year indicates that a very considerable expansion of this program is necessary. The increasingly critical situation in the lumber industry adds to the urgency of the situation. I urge your recommendation to the full House of increases in the authorization level on the order of magnitude of those I have called for in my H.R. 10619.

I am pleased that the National Association of County Officials has expressed its strong support of my bill, and with me this afternoon are representatives of that association to present their own testimony on this legislation. As you know, the counties in our national forest States have a close interest and contact with this program and it is my privilege to introduce to your committee three able spokesmen for county government from my own State of Oregon: Judge Jim Ogle, of Lake County, Oreg., in my congressional district, is the president of the Association of Oregon Counties, and Mr. Kenneth Tollenaar is the executive secretary of that association. They are accompanied by Judge Lloyd Rea, of Baker County, chairman of the association's public lands committee. They are appearing today on

behalf of their State association, and of the National Association of County Officials. I urge your careful consideration of their recommendations.

Mr. FALLON. Mr. Tollenaar, you are accompanied by Judge C. W. Ogle and Judge Lloyd Rea. The judges are sitting in the wrong spot here this morning. Mr. Tollenaar, let me, on behalf of the committee, welcome you here, and you may proceed just as you like.

**STATEMENT OF KENNETH C. TOLLENAAR, EXECUTIVE SECRETARY,
ACCOMPANIED BY JUDGE C. W. OGLE, PRESIDENT, AND JUDGE
LLOYD REA, CHAIRMAN OF THE PUBLIC LANDS COMMITTEE,
ASSOCIATION OF OREGON COUNTIES, APPEARING ON BEHALF
OF THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS**

Mr. TOLLENAAR. Thank you, Mr. Chairman. Judge Ogle, on my left, is the president of the Association of Oregon Counties, and Judge Rea, on my right, is the chairman of our public lands committee.

Mr. Chairman and members of the committee, my name is Kenneth C. Tollenaar. I am executive secretary of the Association of Oregon Counties, and I am appearing today also as a representative of the National Association of County Officials.

The National Association of County Officials represents elected county officials in all of the States which have organized county government. Our national policy statement, the American county platform, contains the following provision:

8-6. FOREST ACCESS ROADS. We strongly support prompt implementation of the program objectives outlined in the long-range program for the national forests. Federal participation, by increased appropriations and authorizations in the construction of forest roads should be immediately accelerated, with road construction by timber purchasers being directed toward only those roads required for flexibility in their operations. The increased construction of forest access roads, by Federal appropriation, will result in a better, more permanent road system at a lower cost, more opportunity for competitive bidding by small timber operators, increased access for forest fire protection, recreation, and other multiple uses, and increased revenues for State and local governments.

At this time, NACO respectfully recommends that the level of Federal investment in national forest development roads and trails be established at the levels provided in Representative Ullman's 10619, and Senator Morse's S. 2936—\$67.5 million for fiscal year 1963, \$90 million for 1964, and \$120 million for 1965.

The existing authorization for forest development roads and trails for 1963, as provided in the Federal Highway Act of 1960, is \$40 million, of which \$2.5 million was obligated in 1962. In addition, receipts from the 10-percent fund (under the act of Mar. 4, 1913) are estimated at \$11.3 million for 1963, and it is estimated that the Government will in effect pay another \$51.5 million for roads and trails during 1963 in the form of stumpage price reductions for purchasers of national forest timber who build and maintain their own roads. In other words, the entire forest development roads and trails program, including both construction and maintenance, would come to about slightly more than \$100 million in fiscal 1963 without any increase in the authorization.

The increase in the authorization from the present level of \$40 to \$67.5 million in fiscal 1963 is needed to get the roads and trails program

up to the schedule planned in the development program for the national forests, transmitted to Congress by President Kennedy, September 21, 1961. This development program is based on careful estimates of national forest use requirements for both a short-range (10-year) and long-range (40-year) period. For example, it indicates that the number of recreation visits in the national forests will roughly double from about 100 million at the present time to almost 200 million at the end of the 10-year period, and that the national economy will require a timber harvest of about 13 billion feet 10 years from now, compared with 11.2 billion in 1961. Other increases in national forest usage for such purposes as grazing, mining, wildlife, and watershed development are forecast in the development program.

Access roads are the key to all national forest management activities. Even with the \$10 million increase in the roads and trails authorization for fiscal 1963 provided in H.R. 11199, the roads and trails program will still only be at 81.3 percent of the planned level. If this program is not brought up to schedule this year, it will be increasingly difficult in the years ahead to meet the needs as they develop.

The recommended levels of \$90 million for 1964 and \$120 million for 1965 would enable the Forest Service to maintain the schedule required by the development program, and would also provide for a further shift in the method of financing access roads, from the indirect method of reducing timber prices to compensate timber purchasers for road costs, to the direct method of financing the roads from appropriated funds, and including their cost in the timber price.

Authorizations for forest development roads and trails have been part of the biennial Federal Highway Act for several years, and this program has, therefore been reviewed by your committee on several past occasions. A review of the transcripts of your past yearings indicates that the following main points have been made in support of increasing the authorization:

- (1) Appropriations for timber access roads do not represent a net cost to the Government, but are offset by timber sale receipts. This is automatic, since the Forest Service appraisal takes into consideration the cost of gaining access to the timber. If the roads for a particular sale are to be built by the purchaser, this cost is subtracted from the price of stumpage. If the Government builds the road, the road cost attributable to timber access is included in the stumpage price.

- (2) When the Government builds the roads necessary for a timber sale, more small mills and loggers find it possible to bid, and this tends to increase the amount the Government would otherwise realize from sale of the timber. The large capital outlays required for timber sale roads cannot easily be met by small operators. When the Government builds the roads and includes the cost in the stumpage price, payments are made as the timber is actually cut. This makes it possible for small operators to participate, thus increasing competition for national forest timber.

Providing more opportunities for small mills and loggers to bid on national forest timber is extremely important at the present time. U.S. census figures show that the number of firms in the lumber and wood products industries in the United States declined from 41,484 in 1954 to 37,789 in 1958. In my own region, for the same period of

time, the number of sawmills and planing mills declined from 1,326 to 721 in Oregon and from 607 to 488 in Washington. The number of logging camps and contractors went down from 2,225 to 1,652 in Oregon and from 1,119 to 1,026 in Washington. The situation is of more than statistical interest in our area, where unemployment and idle plants and equipment in the timber industry are commonplace.

(3) Construction of forest development roads and trails other than those essential for immediate timber sales is necessary for proper forest management, and these roads can only be financed with appropriated funds. A network of mainline access roads in the national forests is needed to permit thinning of young stands, harvesting of old over-ripe timber, and prevention and recovery of losses from insects, disease, fire, windfall, and similar causes. Vast portions of the national forests—in our region about 60 percent of the area, containing an estimated 100 billion feet of timber—are not presently accessible for these purposes. Appropriations for access roads to reach these areas may not be recovered as immediately and directly as appropriations for timber sale roads, but there would be some immediate return in sales of thinnings and salvage timber, and in the long run these roads will certainly more than pay for themselves.

Mr. Chairman, the report of your own committee on the Federal Highway Act of 1960 aptly summarized these arguments when it stated that—

the committee has been persuaded by the fact that every cent invested in timber access roads enhances the value of the Federal forests, and returns in full the investment made by the Federal Government.

The National Association of County Officials believes that there are several additional considerations which may be cited in support of further increasing appropriations for forest development roads and trails, and decreasing the participation in this program by timber purchasers.

First, under the present program we are not getting the kinds of roads necessary to reach the objectives of the Multiple Use-Sustained Yield Act of June 12, 1960, which directs that the national forests shall be administered for outdoor recreation, range, timber, watershed, and wildlife and fish purposes. A timber purchaser can only be required to build the type of road which a "prudent operator" would find necessary to remove the timber from a particular sale. He cannot be forced to build roads in such locations and with such design features that they will serve the needs of recreationists and other national forest users.

Meeting recreation needs alone in the national forests is going to require a substantial increase in appropriations for forest development roads and trails, and this is an item of great importance to each of the 41 States that have national forests. The report of the Outdoor Recreation Resources Review Commission, released a few weeks ago, clearly outlines the need to develop the national forests for intensive recreation usage. This was underscored by Secretary Freeman's announcement March 30 of a plan for the high mountain areas of national forests of the Pacific Northwest region. Planning of this type for recreation in all national forests must take place if the leisure time requirements of our expanding population are to be met, and access roads are the backbone of any approach to this problem.

Second, there is no real economy in the substandard roads and bridges which must be built if the "prudent operator" concept is adhered to. These roads have wasted millions of dollars in unnecessarily high hauling and maintenance costs for the operators themselves, and in reconstruction and replacement costs for the Government. A recent engineering study by region 6 of the Forest Service analyzes the effect of maintenance and hauling costs as components of total annual costs per mile of road at different construction standards, and estimates that if access roads in region 6 could be built to planned standards during the next 20 years, savings in maintenance and hauling costs alone would amount to \$329.5 million, as compared with construction costs of \$282 million.

Third, in all but a very small proportion of timber sales requiring road construction by the purchaser, the road work is done by the purchaser on "force account" and there is not opportunity for competitive bidding on the road job itself. NACO believes that these forest development roads and trails would be built better and cheaper if professional road contractors were allowed to participate in the program. I believe there will be testimony from other organizations on this point, and it will not be necessary for me to elaborate on this.

Fourth, we in local government are acutely aware that when timber purchasers build timber sale roads, 25 percent of their cost is borne by the county and school district governments. The cost of the road is deducted from stumpage, which reduces the gross receipts upon which the 25 percent share of local government is calculated.

If reliance on purchaser construction could be justified on the basis of other measures of the public interest, the financial impact of this procedure on local government could perhaps be ignored. However, in the light of the apparent overriding public interest in having the Government assume responsibility and control for its own national forest road system, the present sacrifices of local government seem particularly pointless.

Mr. Chairman, our testimony may be epitomized by the observation that we need to free the national forest roads and trails program from the shackles by which it is bound to the progress of timber sales. Much of the proposed program will be directly self-supporting, while public benefits from increased recreation opportunity and increased fire and pest control and from increasing the available supply of timber fully justify any remaining costs.

The National Association of County Officials has prepared a background statement that goes into more detail on this proposal than time allows for our testimony, and I would be pleased to offer it for the record.

We deeply appreciate this opportunity to appear and express our views.

Mr. FALLON. Thank you very much. Did you want to make a statement, Judge Ogle?

Judge OGLE. Yes, Mr. Chairman.

Mr. FALLON. We will be happy to hear you at this time.

Judge OGLE. Mr. Chairman and members of the committee, my name is C. W. Ogle, county judge of Lake County, and a resident of Lakeview, Oreg. I, too, am appearing on behalf of the National Association of County Officials, but in particular as president of the Association of Oregon Counties. My own county, of which I have

been a resident since 1908, is a heavily timbered area, and the economy is vitally affected by the marketing of these products.

Mr. FALLON. Would you pardon me for just a second, Judge. You heard the bells ring just now. This means we have a rollcall on the floor of the House and all the Members must be there. We will have to recess now to enable us to leave. We will come back in about 10 or 15 minutes.

(Whereupon, a recess was had.)

Mr. FALLON. We will resume the hearing. Judge Ogle, we will be very happy to hear from you further at this time.

Judge OGLE. My experience in the Bureau of Land Management, and as an elected county official of long standing, has kept me conversant with timber problems and the ups and downs to which its economy is subjected. In the interest of time, however, I will confine my remarks to facts affecting my own section of the State.

I do not believe that the appraised value of timber per se, as set up by the Forest Service, is the dominant criticism of millowners in our area. Rather, the type of road entry required, the heavy maintenance, and the somewhat roundabout cruising of timber (which incidentally creates additional access road cost) appears to injure operators far more than the bid price for the timber itself. I might add at this time that there does not seem to be any set standard for roads which applies to all forests. A hundred miles to the west, for instance, road requirements are much lower than in our county, and the cleanup provisions are less stringent. These factors appear to be left to the discretion of the supervisory personnel of a particular forest. It would appear, then, that here is a place where we should either change the mode of operation, or set up standards applicable to all bidders regardless of the forest location. Were the Forest Service to build its own roads, this situation would be cared for automatically. Further, if extra roads were required to log a remote tract or a spotty cruise, there would be no additional drain on the bidder.

This problem has already been placed before Secretary Freeman by the Lumberman's Association, along with a proposal similar to the change that we are advocating, but at this date I have heard no comment from his office.

A natural consequence of the building of roads from appropriated funds would be a more accurate cost estimate on the projected roads needed to log a given area. In the past, this has been, quite frequently, considerably lower than the final actual cost to a successful timber bidder. I think that another result would be a much closer check on the location of block sales and, of necessity, more careful timber cruising of a given area in order to get the most timber from use of a particular road, or roads. It would appear to me that we would acquire a better, broader coverage of access to both logging and recreational areas, since more planning of a long-range variety would be necessary in order to operate on a Federal road budget. Certainly, there would be standardization of construction and practical location study if nothing else was gained.

I do not contend that everything that the Forest Service is doing in this respect is all wrong; neither do I feel that they are always right. I do say that there is much room for improvement in many aspects of forest operation, and that this is one of the best places to start such a

progressive program. As a representative of my county, I am vitally concerned, since some 60 percent of our income is from this source. In the past few years I have seen this dwindle from a \$2,500,000 gross to about \$1,850,000, a 33-percent drop. Most of this loss is not to be attributed to market conditions, but rather to an unrealistic approach to the situation in local economies. This begins with present road demands.

Again I would urge you, on behalf of the people whom I represent, to give your utmost consideration to this proposed change in the Forest Service procedure on roads. I believe it will be of more benefit to areas such as ours than any other stabilization move that you could make.

I would like to thank you for allowing me to appear before you to present the views of our association, and my county.

Mr. FALLON. Thank you, Judge Ogle. Judge Rea, do you have a statement?

Judge REA. Thank you, Mr. Chairman. Yes; I do.

Mr. FALLON. We will be happy to hear from you at this time, Judge Rea.

Judge REA. Mr. Chairman and members of the committee, my name is Lloyd Rea of New Bridge, Oreg. I am county judge of Baker County, Oreg. I am past president of the Association of Oregon Counties and for the past 5 years have served as chairman of our public lands committee. I also serve as a director of the National Association of County Officials.

Our public lands committee took as a special project the study of the forest access road program. This study lasted for approximately 2 years. We discussed this situation with the Forest Service people, timber operators, and other interested citizens. I would like to point out to the committee that as county officials we are only interested in what is best for the general public, as I know you of the committee have that same interest.

First, we found that a larger percentage of roads are being built by timber purchasers than by the Government through appropriations.

Many of the roads are not constructed to a high enough standard, and will no doubt have to be rebuilt with tax money. Bridges on many of these roads are of a temporary type, put in for the timber sale only. Where the Forest Service has been able to use appropriated money, we find the conditions much better.

The multiple use of our national forest demands that these roads be built to a better standard, especially the main-stem roads. It is clear to see that this type of road must not be tied to a timber sale—using this method, we never will gain entry to the most remote areas.

As we see it, the Congress has the opportunity this year to change this policy and start a new one on a broader concept than is now in effect. Some have claimed this new program will cost the Government money. Money deducted from timber is cash we could have in the Treasury. It will some day cost the Government millions of dollars to go back and rebuild the roads that are not adequately built now. Most of all, it seems that the different Government departments need to do some planning ahead.

It will take some considerable time to build the roads that are needed, so time is of the essence. The people are moving faster with their desire to use the roads for multiple use than we are in providing them for their use.

Timber is one natural resource that is renewable. We should not let it be destroyed by disease and insects. When it is ready to cut, we are wasting it, if we fail to get the job done at the proper time. A tree can burn within a few minutes. It takes as much as 150 years to grow a tree to maturity in my area. We have instances where an area has been logged and relogged; yet, large portions of our national forest have never been entered, because of lack of funds to build the necessary roads.

We in county government are encouraged by the interest in national forest development, realizing any increased activity will help our economy. At the same time, this will increase the load on local government and schools. The roads have to be built leading to the forest boundary, and in most instances these are county roads. Many roads are having to be upgraded to carry the increased traffic. The schools are getting overcrowded in many areas.

Many of these roads and schools are financed in part by the 25 percent we get from the sale of timber on the national forest. When roads are financed by timber sales, it therefore reduces the amount we get to help run local government.

Where road construction is made a condition of a timber sale, the bidder must finance some of the roads before he removes the timber. In most instances the small mill does not have the equipment to build the road, nor the necessary resources to hire the job done. The number of small mills has declined in the last few years and we think this access road program has been part of the reason. Although, we know that other causes have also contributed.

The Federal law requires forest development roads that cost over \$10,000 per mile to be let for bid when they are built with appropriated funds. We do not find this to be true on roads that are built by timber purchasers.

The Forest Service has estimated that they will eventually need more than a half million miles of development roads. A third of this amount has already been built. It is estimated that 60 percent of their roads are now being built by timber sales.

For good business management these roads should be built by competitive bidding. We would then have people that are interested in building roads for a living, and not an operator that is in the lumber business and not roadbuilding. I feel sure the Government would save many thousands of dollars and at the same time relieve the operators of a job they do not want.

A policy on the main stem roads being built with appropriated funds will go a long way to solve the problem.

First, it will insure healthy competition for the timber.

Second, it will help solve the problem of the standard of the roads.

Third, it will help the Forest Service plan for full development.

We have a recent experience of what can and does happen to a small mill operator in his attempt to bid on Government timber and build the roads necessary to obtain the bid. Last November the Baker Lumber Mill was high bidder on a sale of approximately 15 million board feet. The estimated amount for roadbuilding was \$40,000. The Forest Service estimated this timber to be worth approximately \$100,000. The bidder was required to build the road in addition to buying the timber. This small operator could not qualify with a bonding company for the roadbuilding, and as a result lost 20 percent of his bid deposit.

Mr. Chairman, I would like your permission to place in the record a letter I received from Mr. Early J. Chartrey, of the Baker Lumber Mills. I am sure it will explain the situation for your committee. With your permission, may I read it for the record?

Mr. FALLON. You may proceed.

Judge REA. The letter reads as follows:

BAKER LUMBER MILLS, INC.,
Baker, Oreg., April 12, 1962.

HON. LLOYD REA,
Chairman of Public Lands Committee,
Association of Oregon Counties,
Baker, Oreg.

DEAR JUDGE REA: It is my understanding that your committee is active in an attempt to bring about a more sound and workable policy in regards to access roads where public lands are concerned.

As an owner and operator of a small lumber manufacturing plant I wish to express to you some of my thoughts concerning this problem.

It is my feeling that the requirements of the Forest Service on roadbuilding where forest sales of timber are involved, make it prohibitive for the small operator to cope with.

Specifications set forth for roads in connection with the logging of forest sale tracts are far in excess of economical requirements for a practical logging program. If the Forest Service is to continue with a policy of highway building first, and the sale of timber as a secondary consideration, the some provision should be made whereby the Forest Service would provide the financing for such road construction instead of making the timber purchaser finance the roadbuilding for them.

Last November our firm was the high bidder on a forest tract of timber. The estimated cruise was just over 15 million board feet. The estimated roadbuilding on this tract required to be built according to specifications as set forth by the Forest Service for the logging of this tract was \$40,000.

One point I would like to stress here is that in no case will the Forest Service guarantee their cruise estimate or their roadbuilding estimate. In a good many cases their cruise estimates fall far short and roadbuilding cannot be completed for their estimates.

Some provision should be made whereby the Forest Service would stand behind their estimates and in event of gross discrepancies between estimate and reality some adjustment would be made.

Because of the trouble many small operators have had in dealings with the Forest Service, the bonding companies have become much tougher on their requirements for posting a performance bond. We were not able to secure a bond on the above-mentioned sale and were forced to forfeit 20 percent of our bid deposit.

It is my sincere hope that your committee will be successful in bringing about some long-needed changes in this program.

Very truly yours,

EARL J. CHARTREY, *Manager.*

Mr. Chairman, I can see trouble for the Forest Service. As the small operators disappear from the scene, I can see the Forest Service having difficulty in maintaining control of the price of its timber. We can see the start of this trend in the West at this time. There may be a time when a given area is controlled by one larger company. When that happens both the Federal Treasury and the local road and school funds will suffer, since the stumpage price for Government timber will no longer be controlled by the Government.

I would recommend to the committee that President Kennedy's program for the national forest be implemented by increasing the funds for access roads and trails for the fiscal year 1963 from \$40 million to \$67.5 million. Also, that authorizations of \$90 million for fiscal year 1964 and \$120 million for 1965, be enacted. These amounts should be included in the 1962 Federal-Aid Highway Act in order to get the multiple-use roads that are so badly needed. Senator

Morse has introduced Senate bill 2936. Congressman Ullman has introduced House bill 10619. I earnestly request your support for the authorization levels in these bills.

Mr. CHAIRMAN, I thank you very much for the opportunity of appearing before you.

Mr. FALLON. Thank you gentlemen for coming here. I guess you were here yesterday when the Assistant Chief of the Forest Service testified?

Mr. TOLLENAAR. Yes, sir.

Mr. FALLON. Along the same lines that you have. So again I tell you that we appreciate your coming here to give us the benefit of your knowledge of these problems. We are grateful for it. Thank you very much.

Mr. TOLLENAAR. Thank you, Mr. Chairman.

Mr. FALLON. The committee will adjourn to sometime after the Easter recess, at which time the witnesses that are to appear will be notified.

(Whereupon, at 12:30 p.m., the subcommittee adjourned subject to call of the Chair.)

There has been no change in the amount of the bill. I am not going to request your approval for the bill.

Mr. Chairman, I thank you very much for the opportunity of appearing before you.

Mr. Chairman, I thank you very much for allowing me to appear before you. I am not going to request your approval for the bill.

Mr. Chairman, I thank you very much for allowing me to appear before you. I am not going to request your approval for the bill.

Mr. Chairman, I thank you very much for allowing me to appear before you. I am not going to request your approval for the bill.

FEDERAL HIGHWAY ACT OF 1962

TUESDAY, MAY 1, 1962

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

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

Mr. FALLON. Ladies and gentlemen, the Subcommittee on Roads of the Public Works Committee of the House of Representatives is meeting this morning for the continuation of hearings on H.R. 9725, H.R. 9848, and H.R. 11199, to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways.

Our first witness this morning is the Honorable Clarence D. Martin, Jr., Under Secretary of Commerce.

Mr. Martin, on behalf of the committee I welcome you here this morning and tell you I appreciate your coming down here and giving us your time.

STATEMENT OF CLARENCE D. MARTIN, JR., UNDER SECRETARY FOR TRANSPORTATION; ACCOMPANIED BY REX M. WHITTON, ADMINISTRATOR, BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE

Mr. MARTIN. Thank you, Chairman Fallon.

Mr. Chairman, members of the Public Roads Subcommittee, I have with me this morning Mr. Whitton, the Administrator of the Bureau of Public Roads, and Mr. Gridwell, staff assistant.

Mr. FALLON. May we also welcome you gentlemen, along with Mr. Martin.

Mr. MARTIN. I am Clarence D. Martin, Jr., Under Secretary of Commerce for Transportation. I am here to talk with you about the proposed Highway Act of 1962.

President Kennedy, on April 5, sent to the Congress his special message on transportation. In that message, he established this policy:

The basic objective of our Nation's transportation system must be to assure the availability of the fast, safe, and economical transportation services needed in a growing and changing economy to move people and goods, without waste or discrimination, in response to private and public demands at the lowest cost consistent with health, convenience, national security, and other broad public objectives.

The Department of Commerce was proud to participate in the formulation of that policy and President Kennedy's message on transportation.

We believe it is the most comprehensive transportation planning and action program ever proposed by a President to the Congress and the people.

The real key to the success of this national policy and its ultimate benefit to the public can be realized only if each phase is considered in the same spirit of cooperation and coordination which guided the entire message.

One of the reasons our national transportation system is burdened with pressing problems is the patchwork way all levels of government have administered, promoted, and regulated the various modes and facilities over a long period of years.

As a result, we believe the members of the subcommittee will approach their present task with the determination that their decisions will serve not only one phase of the Federal-aid highway program, but also will meet other broad public objectives.

With this cooperative and coordinated approach in mind, I would like to comment upon the principal provisions of the legislation you are considering.

Each of the three bills, H.R. 9725 by Mr. Fallon, H.R. 9848 by Mr. Scherer, and H.R. 11199 by Mr. Buckley, contain authorization provisions for the fiscal years 1964 and 1965 for the Federal-aid primary and secondary highways and their urban extensions (the A-B-C program).

All three bills propose an authorization level of \$950 million for 1964, a \$25 million increase over the 1962 and 1963 authorizations. Mr. Buckley, who introduced his bill in behalf of the administration, and Mr. Scherer propose maintaining that \$950 million level for fiscal year 1965. Mr. Fallon's bill would increase it to \$975 million for 1965.

President Kennedy last year committed this administration to recommended increases in the A-B-C program until a level of \$1 billion a year is reached. This was in recognition of the congressional intent to maintain a balance between the interstate and A-B-C programs. The President, however, recommended that the increases be in increments of \$25 million every 2 years. This continues to be the firm policy of the administration. The Congress recognized the wisdom of this policy in its previous A-B-C authorizations of \$925 million for each of the 2 years, 1962 and 1963.

I would like to comment now on some of the additional provisions of Mr. Buckley's bill. Mr. Fallon's bill, of course, was introduced before President Kennedy's transportation message to the Congress and before the administration's legislative program was finally established.

In addition to the proposed A-B-C program authorizations, H.R. 11199 also proposes increased authorizations for forest and public land development roads and trails. These programs are administered by departments and agencies other than the Commerce Department.

More than a year ago, President Kennedy recommended that the Congress adopt a method of assisting families and businesses forced to move because of the Federal-aid highway program. In his recent transportation message, the President said:

The need for such assistance to alleviate unnecessary hardships is still urgent.

The Bureau of Public Roads estimates that about 15,000 families and 1,500 businesses will be displaced annually in the next 6 to 8 years by the interstate program. The estimated total cost for these

years is about \$50 million, a very small percentage of total program costs.

You gentlemen are aware that the principle of relocation assistance is firmly established in the urban renewal program. In addition, the administration is proposing similar assistance be included in a Federal-aid program to help cities solve their mass transportation problems. This legislation, S. 3126, presently is being considered by the Senate Banking and Currency Committee. The proposed program resulted from a joint study conducted by the Department of Commerce and the Housing and Home Finance Agency. In a letter to Secretary Hodges commenting on the study, President Kennedy said:

Many thousands of our citizens, as your report states, must unavoidably surrender their homes and places of business to make way for public transportation improvements. We should not expect them to suffer the heavy personal cost of such public benefits without due recompense and assistance. Where public necessity imposes such sacrifices, it should be accompanied by public concern for the people displaced.

Under the existing law, the Bureau of Public Roads can reimburse the States for right-of-way costs including land and improvements. We believe the payment of relocation assistance is a logical extension of legitimate and equitable right-of-way costs.

Payments for property needed for highway rights-of-way go to the property owners who usually are unwilling sellers. They are forced to vacate their residential or business property at their own expense. A substantial percentage of all property needed for rights-of-way is occupied by families or businesses which rent or lease their quarters. These families and businesses also are forced to relocate, but they receive no payment nor assistance for this publicly required disruption. This is not only a human problem, but a business and economic problem as well.

Many industrial and commercial organizations, particularly small businessmen, do not own the property in which their commercial activity is operated. Forced relocation without recompense is a serious financial drain and may pose a threat to their ability to stay in business.

Seven States, including the home State of the chairman, Mr. Fallon, have recognized this need and passed State statutes requiring relocation assistance. In fact, in the case of Maryland, the maximum assistance payments in most categories are higher than those recommended by the administration.

A variety of other circumstances occur in 11 other States, Puerto Rico, and the District of Columbia in which some form of relocation assistance is or may be paid.

A highway project, unlike an urban renewal project, is linear in nature rather than being concentrated in a compact area. As a result, highway rights-of-way frequently cut across all social and economic levels in relation to residences. The Bureau of Public Roads has no specific figures which would show the number of families who would require relocation assistance in the sense of helping them find decent, safe, and sanitary dwellings at rents or prices within their financial means. It is estimated by the Bureau that the number would be relatively small and generally this would occur within the larger cities. The legislation permits a State highway department to contract with a local public agency to perform this function.

It is within this area that the spirit of cooperation and coordination I mentioned earlier can be meaningfully demonstrated. The Housing and Home Finance Agency already has pledged its fullest cooperation through its housing and urban renewal programs.

The Bureau of Public Roads reports to me that there presently are numerous instances in which highway projects are being coordinated in some degree with urban renewal projects. It must be a great and trying mystery to a family whose residence is taken for a highway project to receive no relocation assistance while his neighbor whose home is taken as part of an urban renewal project is extended the helping hand of his Federal Government.

A highway project is not an isolated Federal-aid activity. It is closely interrelated with the whole economic and social fabric of our communities. Equality of treatment at the hands of the Federal Government demands that assistance to displaced persons and families be incorporated in the Federal-aid highway program now.

President Kennedy, in the portion of his transportation message dealing with urban problems, said this:

To conserve and enhance values in existing urban areas is essential. But at least as important are steps to promote economic efficiency and livability in areas of future development. Our national welfare, therefore, requires the provision of good urban transportation, with the properly balanced use of private vehicles and modern mass transport to help shape as well as serve urban growth.

It is to answer this challenge of our growing urban centers and expanding economy that the administration proposes a new section providing for transportation planning in metropolitan areas.

The Department of Commerce, like the subcommittee, is proud of the Federal-aid highway program and we believe this proposed revision offers the opportunity to enhance that program's contribution to all aspects of metropolitan development.

Planning already is a well-established process in most metropolitan areas. The larger the urban area, the higher the percentage of urban places with a comprehensive and continuing planning process.

In medium-sized and smaller urban places, the percentage with a continuing planning process falls off substantially. Exact figures are difficult to produce because there is no requirement for urban places to report on their planning functions. The Bureau of Public Roads informs me that it frequently has occasion to deal through a State highway department with an area which has an urban plan that is out of date by several years.

Unfortunately, planning is not an exact science and is subject to human concepts of social desirabilities. There sometimes is the failure to recognize that the flexibility provided by automotive transportation has been and will continue to be one of the biggest factors in influencing the economic and physical growth of our cities.

We have found that the Bureau of Public Roads and the State highway departments have a wealth of talent and experience in metropolitan transportation planning.

We believe that it is necessary to contribute this talent and experience so that a cooperative and coordinated program can be most beneficial to our expanding metropolitan areas. In this way, we can be assured that the full benefits of an already proven program will be considered in striving for balanced transportation systems in our cities.

Directly related to the need for improved metropolitan transportation planning is the administration's recommended provisions for financing Federal-aid highway planning and research activities.

As you know, 1½ percent of apportionments are made available to the States for planning and research purposes. There is no requirement, however, that the States match these funds. Moreover, if the State does not wish to program these funds for planning and research projects, the State may utilize them for Federal-aid highway construction purposes. We believe the requirement in H.R. 11199 that the States match the 1½-percent funds and use them only for planning and research is the best way to treat all States equitably and still provide the financing for the needed increases in both planning and research. The administration also believes an additional one-half of 1 percent of A-B-C program apportionments with State matching requirements should be used exclusively for research. Both the existing 1½-percent funds and the additional one-half of 1 percent money would lapse if not used.

The Bureau of Public Roads reported to me just last week that 26 States and the District of Columbia started or programed planning and research projects which will require financing in addition to their 1962 apportionment of 1½-percent funds. Four other States are using all of their 1962 planning and research apportionments and reportedly could use more.

Yet, we find that in 1960, 11 States, and in 1961, 13 States diverted planning and research money to construction.

A year ago, the General Accounting Office reviewed the planning and research functions of the Federal-aid highway program. The Comptroller General reported to the Congress and said in part:

Certain State highway departments are not using available Federal research funds to conduct necessary highway research. In consideration of the findings of highway research authorities as to the urgent need for more extensive highway research, it is important that means be developed for obtaining a greater research effort by the States.

The Comptroller General also reported:

We believe that all States have a responsibility to share in the highway research program in proportion to their resources and requirements. The failure of some States to utilize the available HPS funds for research indicates that those States may be advancing construction at the expense of research. Also, to the extent that such research benefits all States, relative disproportion among the States in the use of HPS funds for research may be inequitable to those States that have an aggressive research program.

The provisions of H.R. 11199 pertaining to planning and research funds very largely are the same as those recommended to the Congress by the Comptroller General.

Research is not an expense. It is an investment. It has been demonstrated time after time that the benefits of research in both industry and Government more than offset costs. The results sometimes are spectacular, not only in financial terms, but also in public benefits.

It is for these stated reasons that we believe the provisions of H.R. 11199 represent the minimum requirements needed now to produce the maximum public benefit and to insure that the Federal-aid highway program continues to maintain its logical and proper place in the vast national transportation network.

Thank you.

Mr. FALLON. Thank you, Mr. Martin.

Are there any questions to my right?

Mr. THOMPSON. Mr. Chairman, I would like to congratulate Mr. Martin on his very brief and most concise statement. Over the years I have been trying to see in our program that we have the type of thing recommended here, namely, relocation costs for people in urban areas. There is a human element here and this should be taken into account in our considerations. Your point is well taken.

I happened to be with the Highway Department of the State of Louisiana in the thirties, when the old HWPS was in being. It was the first alphabetical organization in our State. It was called the statewide highway planning survey. It certainly paid for itself even back in those days, and now I think we need highway research funds even more, and I think the States will be happy to match it.

I want to congratulate you on your statement.

Mr. MARTIN. Thank you.

Mr. EDMONDSON. Mr. Chairman.

Mr. FALLON. Mr. Edmondson.

Mr. EDMONDSON. I feel the same way the gentleman from Louisiana does about relocation assistance to families that are feeling the impact of our road program. Certainly I want to commend the spokesman for the administration for standing by your course on that score, and supporting it strongly.

I would like to be sure in my own mind about the impact of the language on research funds. Do I understand correctly that if a State has allocated funds for research under this proposed section and uses a portion of the research funds for construction, that this would affect their apportionment of funds available in the future? Is that correct or not?

Mr. MARTIN. They would have to use the money for research. They could not then use it for construction purposes. If they did not use it for research it would just lapse and would not go back in the fund.

Mr. EDMONDSON. As I understood this term "research," it was a fairly broad term that could include planning and engineering items, as well as what would be termed a pure research undertaking. Is that correct?

Mr. MARTIN. Well, in the planning I think there would be an overlap there and it would not have to be pure research. It could be planning and engineering.

Mr. WHITTON. The half of 1 percent we are asking for would be for research only.

Mr. MARTIN. That is right.

Mr. WHITTON. The 1½ percent that is now available, or now in the law, is for planning and research, and can go either way.

Mr. MARTIN. The additional money is for research.

Mr. EDMONDSON. I would like to nail down just for my own understanding, as well as for the record, what you mean by research in connection with this one-half of 1 percent. The term which is in here is just plain highway research purposes. Would a study made to determine the best way to handle a river crossing problem out here on the Potomac, for example, be considered research, or would it be considered planning?

Mr. MARTIN. I should think if it was a study in the area you described I would say it would qualify as research.

Mr. EDMONDSON. Would a study undertaken to figure out the best way to get ABC traffic through a heavy residential area be considered a research item, or would it be considered a planning and engineering item?

Mr. MARTIN. I think it would have planning to it, and engineering to it, and if it had the effect you just described to study a new method of approach, it would be research. There is an overlap here.

Mr. EDMONDSON. I am trying to pin down for my own information and for the aid of the highway departments back in the States, if possible, just what can legitimately be spent as a research item under your proposal here on the one-half of 1 percent. I assume that any tests that were undertaken to determine the relative merits of materials being used—

Mr. MARTIN. That would be research.

Mr. EDMONDSON. Would be classified as clearly a research item?

Mr. MARTIN. That is right.

Mr. EDMONDSON. If a stretch of road were constructed with some experimental materials, would that be considered a legitimate research expenditure or not?

Mr. MARTIN. I would think it would be. I would think any valid experimental work that was done in the area of testing new materials and new methods for handling traffic, and anything to do with construction that would serve a reasonable and valid purpose, would certainly qualify as research. I am sure it would meet with the Bureau of Public Roads approval.

Mr. WHITTON. The new job we just completed out at Ottawa is a research project involving \$2 million. That test road was a research project. Many States now have those kinds of smaller projects going on that are research projects. Anything we do to find new or better ways to build or maintain roads, or design roads, can be classified as research.

Mr. EDMONDSON. That helps me considerably in my understanding of this question. I just wanted to nail down pretty firmly the possibility that the State does not have to spend this research money money hiring outside physicists or mechanical engineers, or scientists, to do strictly laboratory-type work. It can be spent in practical construction types of experiments.

Mr. WHITTON. Very definitely.

Mr. EDMONDSON. That will not only serve a study purpose, but also leave some permanent improvement behind them when they do it. That is clearly your view on this?

Mr. MARTIN. And the projects involved in the expenditure of funds must have the Bureau of Public Roads' approval, so there is some approval in coordination and in correlation with what they are doing, or it would not qualify for the money.

Mr. EDMONDSON. Let me present this picture to you: Suppose the State of Arkansas and the State of Oklahoma both wanted to test some new materials on a road and suppose Arkansas got in with their research project 30 days before Oklahoma submitted theirs, but had not started the actual construction of it. Would the fact that Arkansas had a project of this type going prevent Oklahoma from having a similar research project in Oklahoma?

Mr. MARTIN. I would not think so.

Mr. WHITTON. Not if there was a variation in the soil conditions, which there naturally would be. But at the same time we would see

no need of duplicating completely the work in a couple of States. That is the advantage of having the Bureau looking at and approving the whole picture so as to coordinate the work of the States and get as much in the way of results for the money spent as possible.

Mr. EDMONDSON. In other words, Mr. Whitton, and I am very glad to hear you say it, there is a real advantage to the State and to the Federal Government to have some central direction of this research program.

Mr. WHITTON. Yes, sir.

Mr. EDMONDSON. And some clearinghouse in which you could get together what is being done in the different States in a research way and prevent an overlapping, and prevent inconsistencies in that program.

Mr. WHITTON. Very definitely so. We are now tabulating all of the research projects going on in the United States in order to find out what is going on, and in order to prevent overlap and duplication where not necessary.

Mr. EDMONDSON. I certainly am in wholehearted agreement with that plan, and I hope in time we can bring you to see the problem with equal wisdom, and have it in our training program.

Mr. THOMPSON. Will the gentleman yield?

Mr. EDMONDSON. Yes.

Mr. THOMPSON. I might ask the Secretary in connection with the questions being asked by Mr. Edmondson, suppose the State highway department carries on a regular laboratory operation. Most of them, but not all, do. Then let us say a special project were undertaken on testing materials, and one thing and another, for these highways, with their regularly employed help. Would this then be a refundable item to their regular highway fund? Could this be refunded from this research fund or allocation?

Mr. MARTIN. I should think that the portion of the work they are doing that is directly attributable to research would be able to be refunded out of the research moneys.

Mr. WHITTON. That project would be established and be approved, and then the work done in the laboratory, or the portion of it done in the laboratory that is applicable to that particular project could be charged to the research fund.

Mr. THOMPSON. Even though it were done with regular personnel?

Mr. WHITTON. Oh, sure. Absolutely. With regular personnel.

Mr. THOMPSON. It would present a problem. I remember in some cases where they had to go and hire outside laboratories to do special work in order to obtain payment to meet the costs, and I can see where that is an unsatisfactory thing. I do want to say this: In the last year and a half the Bureau of Public Roads and our State highway department have worked closer together than I have ever seen them work, and I want to congratulate you, Mr. Whitton, on that.

Mr. WHITTON. Thank you, sir.

Mr. FALLON. Mr. Scherer.

Mr. SCHERER. Mr. Secretary, you, of course, are aware of the fact that this committee has recently established a subcommittee under the chairmanship of Clifford Davis, with a highly competent staff, to make a study in depth of what reimbursements should be made, and what damages should be paid by the Federal Government in land takings by all agencies of the Federal Government. You are aware of that, are you not?

Mr. MARTIN. Yes, sir.

Mr. SCHERER. Do you not think it would be advisable to wait until that subcommittee has completed its studies, because it is considering the very provisions you recommend in this legislation; namely, what reimbursements, if any, should be made to families or businesses that must be relocated because of the acquisition of rights-of-way? It is one of the very subjects that this subcommittee is studying, along with land takings for all agencies of the Government. Don't you think we should wait until that subcommittee has had an opportunity to study this?

Mr. MARTIN. Mr. Scherer, I think the committee is to be commended for undertaking that study. Undoubtedly it is encompassing a whole wide area of land acquisition, but the problem we are describing is a problem we have now. It is here, and the people are being put out, and we do have other Federal programs which do render assistance to them. We know we have this problem, so why not do something about it? We think we should do it.

Mr. SCHERER. You are aware of the testimony of the State highway officials that this problem is not as greivous as you represent it to be, and that they are doing a pretty good job in relocating families with very little inconvenience, except in a few instances. That is the testimony before this committee by the people who are handling this problem.

Mr. MARTIN. Yes, sir. I am sure that the problem varies from State to State and from area to area, but we are aware of a lot of inconvenience and distress on the part of a lot of people in the program.

Mr. SCHERER. There is evidence that that is not universally true. I am not saying it does not exist in one or two places in the United States, but the evidence is that State highway officials, as long as they are given enough leadtime, have been able to handle this relocation problem rather successfully.

Mr. MARTIN. Everybody we have talked with—I won't say everybody, but it has been brought to our attention by many responsible officials, both at the State and local level, that it very definitely is a problem and they wish the Federal Government would do something about it.

Mr. FALLON. Will the gentleman yield?

Mr. SCHERER. Yes; on that subject.

Mr. FALLON. On this subject, Mr. Secretary, in your statement you say that the State of Maryland's maximum assistance payments in most categories are higher than those proposed by the administration. I do not know whether that is complimentary or not, but I do think that the special subcommittee set up by this committee should look into these areas where apparently the State of Maryland is paying too much as compared to the recommendations of the administration. I think the subcommittee should look into that phase.

Mr. MARTIN. I certainly do not think that the suggested recommendation of the administration, which is up to \$200 per family and up to \$3,000 in the case of a business—

Mr. FALLON. The fact that it is higher than the administration's recommendation I think is something for the special subcommittee to look into.

Mr. SCHERER. The payments would come from the trust fund, would they not?

Mr. MARTIN. Yes, sir.

Mr. SCHERER. And to the extent that these payments are made from the trust fund we would be able to build less road mileage. Is that true?

Mr. MARTIN. I think that is understandable, Mr. Scherer, that some construction people and highway people who are short of money to go ahead with their program are suspicious that there might be a diversion of dollars to go into this program, and I think that is the principal opposition to this.

Mr. SCHERER. You are aware of the many months of labor that have been put in by the Ways and Means Committee, and to some extent by this committee, in getting a trust fund that would meet the demands of highway construction?

Mr. MARTIN. Yes, sir.

Mr. SCHERER. And we have just about settled that problem now, haven't we? We are looking forward to possibly completing this Interstate System on schedule.

Mr. MARTIN. Yes, sir.

Mr. SCHERER. At present construction levels.

Mr. MARTIN. Yes, sir.

Mr. SCHERER. Don't you think that making these new demands on the trust fund and requiring these additional costs to be paid from the trust fund might upset that time schedule?

Mr. MARTIN. No, sir. I well recall the estimates and "guesstimates" on the revenues that would be paid into the fund under various tax schedules. We could be a little under or a little bit over, but when you measure a program that costs in the neighborhood of \$2 billion a year, and, as a matter of fact, this program could cost \$40 million, or \$60 million, or \$30 million, then I don't think it would have any significant diminishing effect on the completion of the overall program.

Mr. SCHERER. But if we do have further inflation, as it seems there will be, then we would have to increase the revenues in the trust fund, would we not, even to complete the highway program?

Mr. MARTIN. I think we want to complete the program on time and we want the revenues there to build it. Yes, sir.

Mr. SCHERER. But just a little increase in construction costs and land acquisition costs would mean we would have to go back and ask those who are paying for this program for additional taxes to complete it, would we not?

Mr. MARTIN. Not necessarily. I don't think you can calculate it that close. I do not think this program is going to cost that much.

Mr. SCHERER. Well, our whole experience has been that we have not had a sufficient amount of money to keep up with the increased costs of this program. Hasn't that been the experience?

Mr. MARTIN. I am under the impression that construction costs have been relatively stable in the last few years.

Mr. WHITTON. In the last 2 to 3 years. Yes.

Mr. SCHERER. Yes; they have. Construction costs have, but land acquisition costs have been going up, have they not?

Mr. MARTIN. They probably have.

Mr. SCHERER. And if we have any type of inflation, especially with this unconscionable expending of Federal funds we have been engaged in, we are going to have further inflation, are we not?

Mr. MARTIN. I don't know what you are referring to, Mr. Scherer, but I wouldn't say this was at all inflationary.

Mr. SCHERER. I don't say this is inflationary, but what I am saying is—

Mr. MARTIN. We already pay out funds to relocate light poles and utility lines. It seems to me it is ridiculous to say we cannot be concerned with the relocation of some people.

Mr. SCHERER. I am not saying we should not be concerned with it, but what I am trying to point out is, that this committee has undertaken a study in depth of this very problem of trying to arrive at a fair and equitable solution in dealing with all people who are involved in land takings by all agencies of the Federal Government.

Mr. MARTIN. I would say this was very minimal.

Mr. SCHERER. At the beginning it is minimal. It is like all programs—they grow like Topsy.

Mr. MARTIN. Yes, sir.

Mr. EDMONDSON. Will the gentleman yield for a question with regard to the study that he has been talking about? Was any study made of the impact of the utility relocation costs before that was written into the bill, that you are aware of?

Mr. MARTIN. I can't answer that.

Mr. EDMONDSON. Before we provided authority in the bill to pay the costs of relocation of utilities?

Mr. MARTIN. I would assume you had some basis to go on. I am not aware of that.

Mr. EDMONDSON. There was no special study of the probable or expected costs that took place, to my knowledge. If the gentleman knows of any, I would like to know of it.

Mr. SCHERER. I don't know of any special study either, but the fact is that we are making such a study of the problem at hand at this time by this committee under Mr. Davis.

Mr. EDMONDSON. It is a study aimed at the overall picture of land-taking and condemnation procedures.

Mr. SCHERER. And proper reimbursement for such costs are these, and what constitutes proper damages to be paid by the Federal Government.

Mr. EDMONDSON. I would say if we are going to suspend all land-taking while this goes on we might as well stop all Federal programs at this time.

Mr. SCHERER. Who says we should stop all landtakings?

Mr. EDMONDSON. I see no reason for stopping legislating on the matter of helping people by paying relocation costs simply because a study is going on covering the overall aspects of landtaking.

Mr. SCHERER. It is obvious that the study might conclude that this is not the best way to handle it. Especially when compared to landtakings by other agencies and involving other activities of the Federal Government.

Mr. EDMONDSON. Maybe we ought to stop payments to the utilities if we are studying it then. If you are going to put the shoe on one foot you might as well put it on the other. Why not stop making payments of any kind until we complete the study?

Mr. CRAMER. As I recall it, there was an extensive study made in 1955 by the Bureau of Public Roads on relocation costs to utilities, and it was based on the fact that legislation was considered. There has been no similar study made with regard to relocation costs in this much greater and larger cost area, comparable to the one made in the case of the utility relocations. Isn't that correct?

Mr. EDMONDSON. The gentleman's recollection is certainly beyond that of any member of our staff, or of the gentleman from Oklahoma, with regard to a study, an exhaustive study, directed at the relocation of private utilities.

Mr. CRAMER. That is correct. In 1955 the Bureau of Public Roads made such a study.

Mr. EDMONDSON. That is not a congressional committee study, which is what the gentleman is proposing that we have in advance of crossing this other bridge.

Mr. SCHERER. No, I am talking about something which is in existence now, a subcommittee created by this committee. It is an existing subcommittee now making the study. Do you want to upset that study by jumping the gun?

Mr. EDMONDSON. As a member of the subcommittee making that study, I would certainly like to see it completed, but maybe the gentleman would like the Government to stop all land dealings until that subcommittee completes it.

Mr. BALDWIN. Mr. Chairman.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. On page 5 of H.R. 11199, where it defines "relocation costs for displaced families and businesses," on line 10 of that page, it says:

or \$3,000 (or if greater, the total certified actual moving expenses) in the case of a business concern or nonprofit organization.

I am having difficulty in figuring out what the purpose of the \$3,000 is. How, in any way, the way this is worded, will the \$3,000 figure add or detract to the impact of this bill?

Mr. MARTIN. The words in parentheses, "or if greater, the total certified actual moving expenses," would refer to a situation where a substantial larger business would move—\$3,000 is the normal maximum figure.

Mr. BALDWIN. Suppose a small business moved and it certified its moving expenses where only \$2,000. Would you pay them \$3,000?

Mr. MARTIN. That is all that would be paid.

Mr. BALDWIN. What?

Mr. MARTIN. \$2,000.

Mr. BALDWIN. Then what does the \$3,000 do in this bill?

Mr. MARTIN. I think it is a maximum figure. Mr. Whitton says this was copied exactly out of the HHFA bill.

Mr. BALDWIN. The what?

Mr. MARTIN. The urban renewal.

Mr. BALDWIN. That does not mean anything.

Mr. MARTIN. No, sir.

Mr. BALDWIN. I would like to ask what does this \$3,000 add that would not be provided for in this bill if the \$3,000 were not in there and if only the provision of the total certified actual moving expenses were in there?

Mr. EDMONDSON. Will the gentleman yield?

Mr. BALDWIN. No. I want him to answer that question.

Mr. MARTIN. The question is valid and I would like to supply the answer for the clarification of the committee on that. I am a little bit puzzled myself.

Mr. BALDWIN. I would appreciate a clarification. I don't think the \$3,000 has any meaning.

Mr. MARTIN. I see the point you make. I would interpret the \$3,000 as the normal maximum, but, as you say, if it were \$2,000 what is the \$3,000 doing there?

Mr. BALDWIN. Could you provide us with a clarification for the record?

Mr. MARTIN. Yes, sir.

Mr. BALDWIN. Thank you.

I will yield to the gentleman.

Mr. EDMONDSON. No questions.

Mr. FALLON. Mr. Cramer.

Mr. CRAMER. I am sorry I did not get in earlier, Mr. Chairman, but I have read your statement, Mr. Martin.

How did you come to the estimate of \$50 million as the cost of this? You say it would come to about \$50 million for the relocation. Where did those figures come from?

Mr. MARTIN. From the Bureau of Public Roads. That was the best estimate.

Mr. CRAMER. How did the Bureau of Public Roads come to that figure?

Mr. WHITTON. We based that on our previous experience in urban areas of a number of houses that we would ordinarily hit on a mile of road and a number of businesses. It is a rough estimate.

Mr. CRAMER. Some States under their laws pay relocation and others don't. Isn't that right?

Mr. WHITTON. Yes. A few States do.

Mr. CRAMER. How could you estimate what the costs were throughout the country when your experience is based on what some States do and some States don't?

Mr. WHITTON. We used urban renewal figures on it.

Mr. CRAMER. You estimate there would be about 15,000 families. Has there been any survey submitted on the part of the States within the urban area or otherwise, as to how many houses will be involved in completing the Interstate System?

Mr. WHITTON. We just used our estimate as to what has gone before, to estimate what would be in the future.

Mr. CRAMER. Don't you think the logical approach would be for the Congress to know what the costs will be? I personally feel the cost will be very substantially in excess of this \$50 million estimate as related to the total cost of the program. I feel the relocation costs will be substantially greater than that estimated here. That is what disturbs me. I would like for the Bureau of Public Roads to request the information from the States as to what the relocation costs would be and whether the States under their present condemnation laws pay it or do not pay it, and what the costs would be if it were paid, estimating by the States the number of houses and businesses that would be involved in relocations on the Interstate System.

Wouldn't that be about the only approach that could be made to get a sound estimate?

Mr. WHITTON. No, sir; I doubt that it would be a more accurate estimate than we have prepared. We have prepared what I think would be a reasonable estimate of what it would cost, Mr. Cramer.

Mr. CRAMER. What is the percentage cost, Federal and State? Is it 90-10 in this, as on the rest?

Mr. WHITTON. On the interstate it would be. Yes.

Mr. CRAMER. The \$50 million estimate does not include the A-B-C system costs, does it? Your statement says that the estimated cost on the Interstate System for relocation would be about \$50 million.

Mr. WHITTON. Yes.

Mr. CRAMER. Is there any estimate made as to the cost on the A-B-C system? The proposed legislation provides—

Mr. WHITTON. Of course, the A-B-C system does not run nearly as great a mileage as the Interstate System in urban areas.

Mr. CRAMER. But it is obviously going to cost some money. It is included in the legislation that we pay for A B C as well as Interstate System relocation reimbursements.

Mr. WHITTON. Yes.

Mr. SCHERER. And those families are hurt just as bad.

Mr. CRAMER. They may be worse off.

Mr. SCHERER. If we are going to try for one we should try for all.

Mr. CRAMER. It is obvious the legislation includes them both.

Mr. WHITTON. Surely.

Mr. CRAMER. And, therefore, I cannot understand why the cost of both is not included.

Mr. SCHERER. Would you ask them to include the States contribution, too?

Mr. CRAMER. Would the gentleman answer that question?

Mr. WHITTON. I didn't hear it.

Mr. CRAMER. Does the \$50 million include the Federal cost or the State cost as well?

Mr. WHITTON. That is Federal cost, I think.

Mr. CRAMER. So if that figure is correct you will add 10 percent for the State cost?

Mr. WHITTON. Yes.

Mr. CRAMER. And on the A-B-C system you have to add 50 percent for the State cost.

Mr. WHITTON. It would not be 50 percent of \$50 million, but 50 percent of whatever it was.

Mr. CRAMER. Let us assume it was half that much.

Mr. WHITTON. I don't want to assume that. I don't think it would be.

Mr. CRAMER. What would you estimate it would be?

Mr. WHITTON. Oh, possibly \$20 million.

Mr. CRAMER. All right. So the Federal Government would have to put up another \$20 million, which brings the total to \$70 million, and using the rough estimate basis that was used, you add to that for the \$20 million an equal amount of \$20 million for the States, and that brings it up to \$90 million, and you add \$5 million more, which is 10 percent of the \$50 million, which makes \$95 million. So it is almost a \$100 million additional expenditure program, is it not? Isn't that a reasonable estimate?

Mr. WHITTON. I think those figures are high.

Mr. CRAMER. If you don't like my figures, I wish you would provide me with others. That is what I am trying to get—a reasonable estimate of the figures. I am trying to evaluate it based on the information that the Bureau of Public Roads is making available, and the Department of Commerce is making available. If you have a better estimate, I would like to have it.

Isn't \$100 million as reasonable an estimate as can be made?

Mr. WHITTON. \$50 million on the Interstate System is our estimate of that moving. I suggest that \$20 million would be perhaps a reasonable estimate on the A B C. I would not vouch for \$20 million. It might be \$10 million or \$15 million.

Mr. CRAMER. It might be \$30 million.

Mr. WHITTON. I don't think it would be that high. Certainly \$20 million is the top. I would rather shoot at \$15 million.

Mr. CRAMER. Let us take \$15 million. So you have \$50 million for the Interstate System, plus \$5 million for the State and local contribution of their 10 percent, which makes it \$55 million.

Mr. WHITTON. Wait a minute. The \$15 million I think would be the total costs, and half of it would be Federal and half State.

Mr. CRAMER. Just a minute. You do not mean to say that you think the total cost of relocation on the A-B-C system would be \$7½ million?

Mr. WHITTON. No. The total cost would be \$15 million.

Mr. CRAMER. For Federal?

Mr. WHITTON. No; \$15 million total just the same as \$50 million or \$55 million is the total on the Interstate System.

Mr. CRAMER. You say you think that the total cost of relocation would be \$7½ million for the A-B-C system?

Mr. WHITTON. I think the total we can just express an opinion on.

Mr. BUCKLEY. Will the gentleman yield?

Mr. FALLON. Will the gentleman yield to the chairman?

Mr. CRAMER. Yes.

Mr. BUCKLEY. How much is the Federal Government paying for the relocation of utilities?

Mr. CRAMER. I am sure Mr. Whitton can answer that.

Mr. WHITTON. I can get the answer for you.

Mr. BUCKLEY. Is it more than \$50 million?

Mr. WHITTON. I don't know.

Mr. BUCKLEY. I think it is just as much or more important to take into consideration human beings and their personal lives in dealing with the problem of relocation. They did not ask to be displaced. These highways have been laid out by the States and approved by the Federal Government. These tenants are put out of their houses and some provision should be made for them to be relocated, just the same as we relocate the utilities and pay them for it.

I heard Mr. Baldwin talk about three houses on some highway. Mr. Baldwin is a lawyer, and he knows well that they go through condemnation proceedings, and if those three houses are appraised, and, let's say they are probably worth \$25,000 or \$30,000 apiece, then those tenants or owners of the houses will probably buy those houses back for \$1,000 apiece and build a foundation for them and move the house on it, and probably make \$20,000 on the deal.

Mr. CRAMER. And we should now pay for the relocation to posterity? Is that the distinction? For these people?

Mr. BUCKLEY. With regard to the relocation of tenants, through no fault of their own a highway is being put through a section where apartment houses are being torn down. Do you want to throw these human beings out into the street and not reimburse them?

Mr. SCHERER. Not that bad.

Mr. BUCKLEY. Not that bad? You don't live in New York. I know you come from a small town where there probably aren't any houses.

Mr. CRAMER. With regard to the present and existing State laws concerning relocation, some of which include that of condemnation costs in eminent domain and some of which do not, this would in effect necessitate all States including that in their eminent domain proceedings, would it not, in determining the value of the property taken? And the relocation would be part of the costs and, therefore, the States would be forced in their total highway program to include that in the costs, thus increasing the States' share as well, even though the State laws didn't require it.

Mr. MARTIN. I don't think I got the full beginning of your question there, Mr. Cramer.

Mr. CRAMER. It is true, is it not, that some States include the relocation costs in eminent domain, and others do not?

Mr. MARTIN. Yes.

Mr. CRAMER. Does Mr. Whitton know it?

Mr. WHITTON. No, I do not know the answer to your question.

Mr. CRAMER. I think it is true if there are any they are very few, and this would force the State to include this as a cost of acquiring right-of-way, would it not?

Mr. WHITTON. I don't know. I do not necessarily think so.

Mr. CRAMER. The effect of it would be that the cost of relocation would be included in the cost of acquisition of right-of-way, would it not?

Mr. WHITTON. But not necessarily in the condemnation of the right-of-way.

Mr. CRAMER. The total cost of the right-of-way would be increased by that amount, whether the State wanted it that way or not. Has the Bureau of Public Roads attempted to get an expression from the States with regard to this proposed increase on State participation in relocation costs?

Mr. WHITTON. No.

Mr. CRAMER. Does not the Bureau of Public Roads feel that the logical approach would be to inquire of the road departments of the different States and different commissions, and road boards, and the Governors of the States, as to their attitude concerning this compulsory increase in State matching funds that would result from the increase in Federal matching funds for relocation costs? Do not the States have a right to have something to say about this?

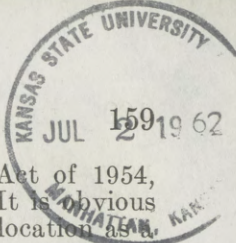
Mr. WHITTON. I believe they have spoken to this committee.

Mr. SCHERER. The American Association of State Highway Officials proposed that.

Mr. CRAMER. That is where I got it. The Bureau of Public Roads itself did not attempt to find out the States' position before proposing this legislation. Is that right?

Mr. WHITTON. That is correct.

Mr. CRAMER. On the relocation of the utilities I have in my hand House Document No. 127, for the information of the gentleman from Oklahoma; dated April 13, 1955, a communication from the President of the United States entitled "Public Utility Relocation Incident to Highway Improvement," a communication from the President of the



United States pursuant to the Federal-Aid Highway Act of 1954, which is a report and study that I was referring to. It is obvious there has been no similar study made with regard to relocation as a basis for the consideration of this particular legislation, and I think it is best evidenced by the answers given to the questions asked.

Mr. EDMONDSON. If the gentleman will yield again, I am not aware that there has been any request for such a study. The study that has been mentioned before the gentleman came into the room was a study by a congressional committee.

Mr. CRAMER. I understand that.

Mr. EDMONDSON. In which the Bureau of Public Roads has no direct responsibility at all. The gentleman is talking about an administrative study and I have heard no mention or suggestion that there be an administrative study of this problem. The proposal has been made that we hold up doing anything legislatively until a legislative committee completes a study it is making. The gentleman is running on one track while his colleagues are running on another.

Mr. CRAMER. I think we ought to run the train on both tracks and get to the end of it, which is the result as to what the costs will be. Whether it is a congressional committee or an Executive study makes no difference to me, but somehow we ought to know what the total costs will be. We do not have any information on it now.

The gentleman will agree to that point. No study has been made.

Mr. EDMONDSON. I will agree to this: We have not completed the legislative study. There has been a good deal of data collected by the legislative committee on this question and it is available to the entire committee, to anybody who wants to take advantage of it; but as to whether it represents conclusions, the gentleman knows as well as I do that the subcommittee is a long way removed from conclusions on this subject. But we were not foreclosed by the conclusions of the study that the gentleman holds in his hand from any action on the part of Congress.

Mr. CRAMER. The point is, this study helped the committee make its decision on whether to reimburse utilities for relocations of their right-of-way, because we knew what the costs would be. We have no way of knowing what the costs will be on this relocation proposal.

The position taken by the gentleman from Ohio is, and I agree, that somewhere we should have made available this information—whether it be through the subcommittee that the full Public Works Committee established to do it, or an Executive study. They have not even asked the State road boards about their attitude to having to put up this much more State matching funds in order to accomplish payment of relocation costs.

Mr. EDMONDSON. The gentleman made an eloquent lawyer's restatement of the position taken by his colleague, which was way out and up another field from the stand he has taken now, which is that we hold up doing anything on this until the Davis subcommittee completes its study and makes its recommendations.

Mr. SCHERER. That is right. That is my position and your committee should study the question of utility relocation costs. It comes within the purview of your committee, if you want to study it.

Mr. EDMONDSON. I do not have any complaint with this study being carried to its complete conclusion, but I do have definite objections to the holding up of doing something constructive in the field

now and for a long time, while this subcommittee completes the study that has been going on for 2 years now.

Mr. CRAMER. If the gentleman from Oklahoma's subcommittee on which he serves will be so dilatory that they do not come in in a timely fashion and make a report to this subcommittee or the full committee, I have no objection to the Bureau of Public Roads of the Department of Commerce coming up with facts and figures on it. However, I do think we should know what the facts and figures are before we launch into what could easily be a \$100 million program, and probably will be far in excess of that.

Mr. SCHERER. It will be more than \$100 million. Let's not kid ourselves.

Mr. EDMONDSON. Do you know right now what utility relocation is costing us annually?

Mr. CRAMER. I have asked the Bureau of Public Roads what they are and the Administrator can't tell us. I don't know why you expect me to do it.

Mr. EDMONDSON. The gentleman placed great reliance on the work he has in his hands on utility relocation, and I am asking him to tell me within \$10 million what it costs to relocate utilities annually.

Mr. CRAMER. Here is the figure.

Mr. EDMONDSON. I am talking about present costs.

Mr. CRAMER. If you want to be so smart about it, ask the witness. He is the Administrator of the Bureau of Public Roads. Ask him what the costs are. Isn't he the chief authority on this question? If he cannot tell you what the costs are I can tell you what the report indicated the total costs would be.

Mr. EDMONDSON. The question is what is the cost, without reading it in the report. What is the cost to us now?

Mr. CRAMER. Here it is. Total estimate, \$650 million, total share. This is according to the appendix on page 24. That is the best estimate I know. If Mr. Whitton can't give it to you I don't know how you expect me to do it.

Mr. SCHERER. Do you know what the utility relocation costs would be if all States reimbursed? How many States reimburse for utilities?

Mr. WHITTON. May I give you that answer for the record?

Mr. SCHERER. A small number, is it not?

Mr. WHITTON. A rather small number.

Mr. SCHERER. And this is the figure of what it would cost the program if all States reimbursed for utility relocations, and I understand it's only a handful of States that provide it.

Mr. WHITTON. I can furnish what it is. I don't know it in my mind.

Mr. SCHERER. It is not any more than four or five States, is it, Mr. Whitton?

Mr. WHITTON. I think perhaps there are, but I am just guessing.

Mr. FALLON. We will get those figures for the record.

Mr. MARTIN. I am sorry we do not have the figures for the A-B-C portion. As Mr. Whitton indicated for the committee, our best estimate, which was gone into very carefully, for the Interstate System program, is \$50 million, and I think he was correct in saying a guesstimate on the A-B-C figure would be about \$15 million. But we will supply to the committee shortly what the A-B-C portion is.

I gather that was the main question Mr. Cramer asked, that is,

what did the A-B-C part of that cost come to. This \$50 million is only on the Interstate System, because that will be the area where the largest cost would be.

Mr. CRAMER. I would trust in making that estimate, some consultation will be made with the States.

Mr. MARTIN. There is no question about it. They have been in contact with States on that matter before, and they know this problem. This whole business is administered through the States, so, how could they be coming up with anything unless they consulted with the States on it.

Mr. CRAMER. But I asked Mr. Whitton as to whether he had asked the States themselves to submit an estimate on the cost of the relocation of the Interstate System, and he said no. Obviously no such estimate has been made on the A-B-C system, because there has been no estimate given, and I don't know how you can estimate unless you go back to the States and ask them for the facts and figures, which is exactly the way you got the estimate for the cost of the total program.

Mr. MARTIN. I will be very surprised if there has not been consultation with the States as to what the costs will be. We have to start someplace to make the basis for the estimate.

Mr. CRAMER. I hope we have, but I can only rely on Mr. Whitton's testimony, and he said it was not.

Mr. WHITTON. I said I didn't know, Mr. Cramer.

Mr. MARTIN. And we can supply it to you shortly.

Mr. SCHERER. Can I ask one more question? I want to ask the Secretary, or Mr. Whitton this: Let us assume that a State as the result of condemnation proceedings was required to pay a business, assuming that the business owns its factory, \$15,000. Suppose a jury awards \$15,000 to a business, for the reasonable market value of the property under State condemnation proceedings. Do I understand then that if its moving costs were \$3,500, that the State would be required to pay \$3,500 additional moving costs under this legislation?

Mr. MARTIN. Whatever was the certified moving costs, which is what the general provision is, and I noted earlier in reference to somebody's question that we would clarify that as to the \$3,000 figure and what it says in parentheses, "or if greater, the total certified actual moving expenses," will be paid, as indicated on line 10, page 5.

Mr. SCHERER. Whatever its moving costs would be, it would be entitled to that over and above what the State awarded for the reasonable market value of its factory?

Mr. MARTIN. I would assume that is so.

Mr. FALLON. Are there any other questions? Any questions on my right?

Mr. Martin, I would like to ask one question to get back on the road-building program again. You recommend that this sum remain at a \$950 million level for the 2 years. Of course, the theory of recommending a \$950 million level is to keep the program in balance as far as the trust fund is concerned.

Mr. MARTIN. Yes, sir.

Mr. FALLON. Yet, when we go further in your statement this morning you asked for added costs for other things. In 1962-63 it was my recommendation that it remain at \$925 million because there was not enough money in the trust fund and the Interstate System had been

cut back by about 20 percent. So to have added \$25 million a year to the amount taken out would have thrown it out of balance. But since then the financing has been firmed up to a point where this would not interfere with the money in the Interstate System. That was one reason why I have proposed the increased amount. Then, of course, we promised the Members of Congress who do not have any Interstate System in their district—and there are many of them who have the A-B-C program in their districts and that is the only program they have—that attention would be paid to that.

In addition to that, this would add more money to the program because of the States' matching of 50 percent in the 3 years, which would add \$75 million from the States to this program, and therefore would accelerate the program \$75 million. We have been told that we would like to accelerate public works at this time in the country to stop any recession that might come about.

In addition to that, there are many contractors in the country who do not have the facilities to bid on the large Interstate System projects. They have to depend upon the A-B-C projects. This has been a depressed area with regard to these small contractors. This would not only help the small contractors put more money in the program, but it would certainly keep the promise we made to two-thirds of the Members of Congress.

That is my reason for getting back to the acceleration that the 1956 act spelled out.

Mr. MARTIN. Yes, sir. I understand that.

Mr. FALLON. Are there any other questions of Mr. Martin?

If not, thank you very much again, Mr. Martin and Mr. Whitton.

Next we have the Honorable Ben West, mayor of Nashville, Tenn., who is representing the American Municipal Association here this morning.

On behalf of the committee, Mayor West, may I welcome you here and thank you for coming?

STATEMENT OF BEN WEST, MAYOR, NASHVILLE, TENN., REPRESENTING THE AMERICAN MUNICIPAL ASSOCIATION

Mayor WEST. Thank you, sir. I hope that welcome goes for the other gentlemen on the committee too, having heard the colloquy.

Mr. Chairman and members of the committee, I am Ben West, mayor of Nashville, Tenn. It is my pleasure to appear here today on behalf of the American Municipal Association, which is the national association representing over 13,500 cities, towns, and villages throughout the United States. I am cochairman of the American Municipal Association-American Association of State Highway Officials Joint Committee on Highways and former chairman of the National Committee on Urban Transportation.

The most critical transportation needs in this country are in urban areas. To emphasize this, I want to quote from a publication issued by the Automobile Manufacturers Association dated March 1961 entitled, "Highways for the Future," the end product of a study made by Wilbur Smith & Associates.

Nearly one-half of the Nation's motor travel now occurs on city routes that account for only 10 percent of total highway mileage. This urban travel will more than double over the next two decades, while rural highway travel will increase about 30 percent. By 1980, about 60 percent of the anticipated 1,277 billion yearly vehicle miles of travel will be within expanded urban area limits.

So, three-fifths of over 1½-trillion-vehicle miles will occur on 10 percent of the total highway mileage in the United States in the urban areas where the big majority of people live. The impact on local governments of such a statement is truly staggering in view of present-day conditions. We have no reason to question this prediction at the present moment. In fact, the prolongation of current traffic trends may make it conservative.

The American Municipal Association favors the enactment of legislation which would increase the available Federal highway funds to be used for planning and research from 1½ to 2 percent and that these funds be used only for planning and research purposes rather than be diverted for construction purposes.

When we speak of a program for developing better municipal transportation plans, transportation should be regarded in its generic sense and not limited to the present-day dominance of the Interstate and Defense Highway System, the terrific impact of which often overshadows the utilization in an efficient manner of modes of transportation other than the rubber-tired vehicle. Transportation can be defined as the movement of people and goods into those areas wherein they want to go, or are needed, in an economical fashion and with a minimum of inconvenience. No good method of transporting people and goods from one place to another with reasonable cost factors has ever been discarded. The pedestrian who desires to walk along a sidewalk at 2 miles per hour is just as essential to the master transportation plans of a community as the automobile at 80 miles per hour and the jet aircraft at 650 miles per hour. A good master transportation plan for any community will include all the best features of every mode, each in its proper place, and each with differentiating functions and services.

To do this requires funds. Urban transportation studies do not come cheap. I can speak on this with firsthand knowledge since the city of Nashville, under my direction, has been conducting for some years now, a continuing transportation planning program. I can assure you that without Federal financial assistance we could not have done this. At the same time, I do not see how we could have functioned without the program.

H.R. 11199 requires the Secretary of Commerce, beginning no later than July 1, 1965, to determine that Federal aid projects in metropolitan areas are part of a comprehensive development plan or be based on the results of a continuing planning process before approving those projects. That portion of the proposal requiring that a continuing planning process be established seems reasonable and not overly restrictive and is supported by our association. That portion requiring that the projects are part of a comprehensive development plan does seem to be unreasonable. Unreasonable in that a comprehensive plan for an area can only be a general guide for development of the area. Even then the plan is not static but needs continual revision as a part of the planning process. We recommend that this requirement be deleted from the bill. In addition, I want to point out that local communities cannot arrive at plans alone. This is particularly so in the smaller communities. Technical assistance, at least at the outset, must come from State and Federal agencies. Long-range programs for State highway improvements in urban areas should be developed and published as soon as possible. Local government personnel

badly need training in transportation planning techniques. H.R. 10909 introduced by Congressman Edmondson to provide a national highway academy would go a long way toward meeting this need and warrants your careful consideration.

Our cities are vitally interested in the Federal-aid primary and secondary highway systems and their extensions in urban areas. We favor the enactment of the provisions in H.R. 9725 calling for increases above present levels of \$25 million annually. While our national municipal policy calls for the completion of the Interstate System on schedule, we do not believe that such increases would seriously hamper reaching this goal. In fact, such increases would delay the completion of the Interstate System by possibly only a short time.

I would like to say a few words about two other items in the bill.

(1) The provisions of section 6(a) which would amend title 23, United States Code regarding secondary highway extensions in urban areas receives our fullest support. 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. The "Metropolitan Area Transportation Study," previously referred to for my city, estimates the cost of properly integrating the local street system into the Interstate System, at \$118 million. This is a financial burden virtually impossible for a local community to assume entirely, but the success of the operation of the Interstate System will depend in very large measure upon the efficiency of local transportation systems. Unfortunately, at the present time, secondary funds cannot be spent on secondary urban extensions, which may now be financed only with Federal-aid urban extension funds. We urge you to give your favorable consideration to this section.

(2) Our national municipal 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. We, therefore, agree with the President's transportation message, which says:

I recommend that assistance and requirements similar to those now applicable to the urban renewal program be authorized for the Federal-aid highway program and the urban mass transportation program.

I can tell you that it is extremely awkward for a mayor to try to explain, when a highway project is adjacent to an urban renewal project, why tenants in the urban renewal area receive relocation payments and tenants in the highway area do not. It seems simple justice that all citizens should be treated alike when they are displaced by Federal-aid projects. The requirement that suitable "equal" housing be certified as being available would not create a problem in Nashville or any other city where Federal urban renewal projects are underway; however, it is conceivable that this might be overly restrictive in some areas.

One other item not included in H.R. 11199 merits your consideration. That is the matter of designation of a Federal-aid urban system. The highway system in each State should constitute a well-integrated long-range plan for the entire State. Such a system should include interstate, primary, and secondary highways in urban areas and such lateral, feeder, distribution, and circumferential routes as may be required to furnish maximum utility to the various State, county, and Federal-aid systems within and adjacent to urban areas.

In developing such a plan and program, consideration should be given to economic and industrial activity, existing and potential traffic needs, and land-use projections. This implies the need for joint planning and long-range programming by all levels of government—municipal, county, State, and Federal. Provisions in H.R. 11199 would make this possible. Also implied is the need for designation of a Federal-aid urban highway system.

This urban system should be selected by State highway officials and appropriate local officials, subject to approval by the Secretary of Commerce. The system should be confined to urban areas except that the system may be extended into rural areas where necessary to connect to another Federal-aid system within the rural area. The system would be in addition to the interstate, primary, and secondary extensions in urban areas and include those urban routes deemed necessary to provide a well constituted circulation plan for the entire urban area.

At the present time it is practically impossible to determine the extent of the need for such a system, what the standards should be, or how the system would be financed. This same conclusion, you may recall, was reached by the Clay Committee in their 1954 report. The reason for this is that reliable data on municipal highway needs simply is not available. The enactment of H.R. 11199 would set the stage for improving this situation. Therefore, we suggest that the Department of Commerce undertake a study and report to Congress within a time period deemed appropriate of the extent of the need for a Federal-aid urban system and how the system could be constructed.

Gentlemen, in 1939, 23 years ago, the text of the Bureau of Public Roads report to Congress, "Toll Roads and Free Roads," clearly stated and emphasized the needs of urban and municipal areas. Then in 1944, the Bureau of Public Roads interregional highways report was submitted to Congress. The report contains this statement:

Now, with the congestion of the transcity routes replacing rural highway mud as the greatest of traffic barriers, emphasis needs to be reversed and the larger expenditures devoted to improvements of the city and metropolitan sections or arterial routes.

Through the years since 1944 steps have been taken to improve the urban highway situation. We are gratified that further constructive steps are being considered here today.

Gentlemen, in addition to my prepared statement, I have heard the foregoing colloquy and perhaps I should fear to rush in here, but we have had a great deal of experience in matters that you gentlemen have been discussing, and in my opinion the alarm expressed by some members about the total cost of moving people is unwarranted.

First of all, whether the State statute provides, or the Federal statute provides, for the cost of moving in connection with an industry, or a business, or a residence, whether owner-occupied or not, never you fear—the jury of view is going to take that into consideration, whether it is in there or not in making the award.

In my opinion the additional expense would be this \$200 per family where they have no lease. In most of the States I would say where there is a lease that has to be condemned and awards have to be made for leases as well as property sold. In my opinion this provision here follows the provision in the urban renewal program.

Some people expressed the opinion that the State highway officials say they have no complaint about it. They have not talked to the local officials if that is so, because the local officials all over this country are trying to explain every day why, why, why. In most of the Interstate System when it is going through the heart of a city the planners try to route it through the so-called gray, soft, deteriorated, or decaying sections of the city, and it is often the case that these highways go right through the middle of urban renewal projects in the very nature of things. Then you get into a situation where you have one local agency taking care of all of the takings, particularly where there is joint taking of property by urban renewal and the highway is taking part of a man's property with the urban renewal taking the rest of it. Then you get to explaining to these folks why is there this distinction, and it becomes very, very difficult, gentlemen, I assure you.

Mr. EDMONDSON. Mr. Chairman.

Mr. FALLON. Mr. Edmondson.

Mr. EDMONDSON. Nashville has made brighter my day twice in the past week. Sunday I had an opportunity to read the 150th anniversary edition of the great newspaper, the Nashville Tennessean, which certainly, as presented to the Capitol and the copies distributed here, is a splendid example of journalistic enterprise in your city. Now you come to us with a progressive statement, and one that represents a very strong position by your organization.

I certainly want to commend you and your organization and your city as well for the presentation you have made here this morning.

Mr. SCHERER. I just want to say that the mayor of Nashville, Mr. West, is one of the most knowledgeable men in the United States insofar as highways are concerned. Over the years he has, I know of my own knowledge, made a tremendous contribution to the highway program and to the solution of highway problems, not only in the cities, but in the country generally.

Mr. BALDWIN. Mr. West, you mentioned in your statement on page 2, When you are referring to the section about tying in Federal-aid projects with a comprehensive development plan, you said, and I quote:

That portion requiring that the projects are part of a comprehensive development plan does seem to be unreasonable.

And you recommend that provision be eliminated.

The wording in the actual bill is a little bit complicated with regard to the paragraph involved. I would like to ask if I can send you down a copy of the bill so you can have it in front of you. Specifically I would like to know what section of the sentence or paragraph you would recommend being eliminated. The paragraph is on page 8 and I assume you must be referring to the last sentence on page 8, which starts with the words, "The Secretary shall, beginning no later than July 1, 1965"—

Mayor WEST. No. I believe we go back to page 7. Oh, you have another copy. I have a different page number here.

Mr. BALDWIN. Can you indicate to us as specifically as you can how you would modify the actual wording of the bill?

Mayor WEST (reading):

The Secretary shall, beginning no later than July 1, 1965, before approving programs for projects in any metropolitan area, as required by section 105 hereof, make a finding that such projects are consistent with adequate comprehensive development plans for the metropolitan areas. * * *

What we were afraid of was this: We who have taken the lead in metropolitan planning in this country—we know that it is a continuing process. However, from time to time definitive plans, or a major thoroughfare plan in the case of highways, has to be filed by statute. Now, something may develop before we can amend that plan and, therefore, we think that this ties in. In other words, a new big industry, or any number of things happening in the city today result in uprooting all sorts of things. A veterans hospital was plopped right down in the middle of one of my most desirable residential areas, over our objection, but that called for a complete restudy of that whole area. It got into a university area. We have 14 colleges and universities in Nashville. Before we can make a study and amend that plan, we did not want the Secretary's hands tied to say that it conforms to the filed plan. We do not object at all to the point, "or are based on the results of a continuing comprehensive transportation planning process" at all, because we are doing that, but we didn't want to tie his hands to say that it is a certain highway, because in dealing with the States, gentlemen—I ought not to say this, but I hardly ever know what a State is going to do. Some day we may find some money available and then will say, "Look, we have this money and what you are wanting to do we can go ahead with now."

We do not want to tie our hands either. We want to be ready. You know, some folks think that a plan for a city, a comprehensive plan for a city, is a fixed matter. Well, we who are in it know that it can't be. There are too many things happening.

Mr. BALDWIN. Mr. West, then, as I understand it, the specific thing you have objection to is on lines 18 to 20, which reads:

are consistent with adequate comprehensive development plans for the metropolitan areas * * *

Mayor WEST. Right. Development plans.

Mr. BALDWIN. That you would object to?

Mayor WEST. Right.

Mr. BALDWIN. Thank you.

Mr. CRAMER. I, too, want to say I have had the privilege of reading the Tennessean and I was very impressed by the city planning being done in Nashville, as well as some of the other cities in Tennessee. I want to congratulate you on the leadership which you have given in Nashville in this respect.

Does the city pay the relocation costs in the condemnation of property for city parks, outside of urban renewal now, like city halls, and so forth?

Mayor WEST. We do in the way I expressed it. In the jury of view, if it is owner-occupied, they certainly take it into consideration.

Mr. CRAMER. If you have a business relocating the law is, though, that that relocation cost is not to be included in determining the value of the property; is it not?

Mayor WEST. That does not make any difference.

Mr. CRAMER. But that is the law.

Mayor WEST. Well, law or not, the figure is a fluid matter. The dollar figure is a fluid matter and the jury of view will put that in without mentioning it.

Mr. SCHERER. I agree with the mayor that the juries do take into consideration in condemnation proceedings moving costs, although they may not be specifically allowed under State law.

Do I understand that it is your understanding of this legislation, Mayor, that a jury in making a business an award for its factory would take into consideration the moving costs and inconvenience?

Mayor WEST. Yes.

Mr. SCHERER. Then under this legislation they would be entitled, in addition to the jury award, the actual moving costs.

Mayor WEST. Let us turn it around. I think it would tend to reduce the actual total figure of damages allocated to the property.

Mr. SCHERER. No; the jury would not have known that because the condemnation proceedings are carried on under State law, and there is no allowance made in a condemnation proceeding for moving costs under State law.

Mayor WEST. Mr. Scherer, juries of view don't operate in a vacuum. They know whether the tenant is paid, and they know whether it is urban renewal, or a highway, and they know that if it is urban renewal he is going to be paid, and if it is a highway he is not going to be paid, and know the owner is not going to be paid.

Mr. SCHERER. You think juries know that?

Mayor WEST. Yes, sir; they do. They are usually real estate men and these real estate men are pretty sharp boys. They know exactly what the picture is.

Mr. SCHERER. Even though there is no evidence permitted on this issue?

Mayor WEST. Yes, sir. There does not have to be. As a matter of fact, it may really not cost you anywhere near what you are thinking about, because that added extra will come out of the jury of view's award when they get it. They say, "Well, he is going to get his moving expenses so we are not going to include that."

Mr. SCHERER. How does a jury know that? Moving costs would not be allowed in evidence in the State of Tennessee.

Mayor WEST. Well, they know what the law is. They know what the laws and practices are in our acquisition division of our city government. We acquire all of the Interstate System.

Mr. SCHERER. The average juror knows that?

Mayor WEST. Not a juror. This is a jury of view composed of real estate men in the business who know it, Mr. Scherer.

Mr. SCHERER. Oh, I thought you were talking about a jury in a condemnation proceeding.

Mayor WEST. No. We have juries of view.

Mr. SCHERER. You and I are talking about something entirely different.

Mayor WEST. They are composed of real estate men appointed by the court to fix damages.

Mr. SCHERER. I understand now what you are talking about. I thought you were talking about an ordinary juror in a condemnation proceeding.

Mayor WEST. Well, I would not cut it off there. I think juries understand and consider a lot of things that are not in the testimony.

Mr. SCHERER. That is what I agreed with you on.

Mr. CRAMER. I think you have a copy of the bill and I would like to ask you this question: On page 4 of the bill, section 133(a), lines 13 to 18, what do you think of the standard that has been established and which would be the standard your city would have to live under? It is not a standard now for relocation costs. It states here:

* * * and that there are or will be provided in areas not generally less desirable in regard to the availability of public utilities and public and commercial facilities 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 adequate in number to accommodate such displaced families and reasonably accessible to their places of employment.

What do you think about having to conform to that?

Mayor WEST. That is fairly restrictive. That is fairly restrictive, I think.

Mr. CRAMER. Quite restrictive.

Mayor WEST. Yes, sir. However, we have under the public housing acts, and under the Federal Housing Act mortgage program, and under the urban renewal program and the community facilities program they were talking about here, utilities and public facilities—we have lots of tools to work with that the Federal Government provided us with, we in the city we are talking about now, and we think we could meet this, but it is restrictive amendments, I mean. You see, the urban renewal requires this too, Mr. Cramer. We cannot move a person out of a house in urban renewal unless we have a place for him to go to. So we work with this every day.

Mr. CRAMER. You think then you could live under this and that this is a reasonable restriction, that you would have to conform to all of the requirements in determining what the value to be paid the individual is for his relocation costs?

Mayor WEST. I would hate to answer that without studying it a little bit more. We would not in my city, but I am talking here for all the cities in the country.

Mr. CRAMER. Some cities are not in the same situation.

Mayor WEST. That is correct, and some cities would have difficulty in meeting that criteria.

Mr. CRAMER. I would like to have you supplement your statement if you see fit to do it.

Mayor WEST. I would be delighted to.

Mr. CRAMER. Because it seems to me that is extremely restrictive and, as you indicate, some cities may not be able to conform.

That is all.

Mr. EDMONDSON. Mr. Chairman, may I add one further word to the distinguished mayor.

While you have been kind enough to mention me as the author of this National Academy proposition, I would like to direct your attention to the fact that the distinguished chairman of the full Committee on Public Works, Mr. Buckley of New York, and the distinguished chairman of our Special Subcommittee on the Federal-Aid Highway Program, the distinguished gentleman from Minnesota, Mr. Blatnik, are among the six or seven other authors of this bill and sponsors of it in the House. We are very hopeful with your support that we can get it passed.

Mayor WEST. That is a wonderful thing. We in the cities haven't understood it fully, but we would like to have available the opportunities for training in this field, because there are very few people technically trained in this field anywhere in this country.

Mr. EDMONDSON. I thank the distinguished mayor.

Mr. CRAMER. May I ask just one more question?

Mr. FALLON. Mr. Cramer.

Mr. CRAMER. Do you know, being involved in urban renewal projects, what the percentage of relocation costs is compared to the total costs in condemnation in such cases? What has been the experience in Nashville? What is the cost of relocation?

Mayor WEST. It is minor. I call it very minor.

Mr. CRAMER. What is the percentage?

Mayor WEST. Let me get you the figures. If you were to press me on a guess I would say, oh, 2 percent.

Mr. CRAMER. Two percent of the Federal-aid highway program would be \$80 million.

Mayor WEST. Now, let us analyze that for just a moment. You realize that the relocation problem on the Interstate System, which is a brand-new system, laid on top of all the other highways, is an entirely different thing from the A-B-C program. The A-B-C program, gentlemen, by and large, while there are new legs from time to time, is an established system, and it is reconstruction rather than land acquisition in the A-B-C system. I don't know what the comparable figures would be in the rest of the country, but we have practically no or very little land acquisition in the A-B-C system, because it is already established and functioning. From time to time, legs and connections are made, but nothing like the tremendous Interstate System.

So I think that has to be considered.

Mr. CRAMER. Does the city of Nashville acquire the right-of-way for the Interstate System?

Mayor WEST. Yes.

Mr. CRAMER. And pay for the cost of it?

Mayor WEST. No, sir. The State pays the cost. We pay all of the attorneys' fees and appraisers and negotiators.

Mr. CRAMER. How about the A-B-C system and urban extension?

Mayor WEST. We pay one-third of the cost of the right-of-way in the city.

Mr. CRAMER. If this cost is increased, of course, the city would have to pay their share—50 percent.

Mayor WEST. That is correct.

Mr. CRAMER. Of the A B C for relocation.

Mayor WEST. That is correct.

Mr. CRAMER. Do you think the cities are willing to do that and add to their costs to that extent? Don't you have trouble now getting enough money? That is what most cities tell us. They do not have enough money to match and meet the highway right-of-way costs at the present time. They are traditionally opposed to anything that is going to increase those costs.

Mayor WEST. I will meet you one-third to two-thirds at any time on any project. I don't know about the other cities. I think the other cities feel the same way. You see, we have been in this sort of shape, gentlemen, in this whole highway picture: The cities have been excluded from it up until recent years, completely. Every county highway commission and every State highway commission would stop at the city limits. So we have had great vistas open for us in this Interstate System and in the urban system and in the various highway legislative proposals that have come before Congress and which have been enacted. We have had great vistas open for us. We had to pay it all.

Mr. CRAMER. Urban renewal, and all that business.

Mayor WEST. Yes.

Mr. CRAMER. The only point I am making is, this results in an increased city cost where you participate to the extent of one-third. In Florida they must pay 100 percent of the cost of acquisition.

Mayor WEST. You realize, of course, that Florida has that pork chop situation down there.

Mr. CRAMER. And it is a serious one down there, and I am hoping the Governor one of these days will recognize it and call a special session to do something about it, but so far he has been unwilling to do so.

Mayor WEST. I think the Federal courts are going to attempt to do that, Mr. Cramer. We have a case pending and I was a party to it up there and the Supreme Court acted on it. I think they will take care of it.

Mr. CRAMER. I would like to see the State take care of it. I think the place to do it is with the State if they are willing to do it, and if not, the Federal court has stepped in.

Mayor WEST. It is like urban renewal. The State has not done it, my State has not, for 61 years, and they will have to be forced to.

Mr. CRAMER. Then you think the cities are willing to bear this additional cost by the Federal Government making it a compulsory item of damages?

Mayor WEST. Yes; because I think whatever additional costs there will be in businesses and manufacturing plants, and so forth, we have to bear them now really, indirectly, as we talked about it a while ago. The only item is really these tenants without a lease going from week to week and month to month. The \$200 moving cost would be involved there. I think that would be the net result of the payout.

Mr. CRAMER. That is all.

Mr. BLATNIK. Mr. Chairman.

Mr. FALLON. Mr. Blatnik.

Mr. BLATNIK. I just want to add my congratulations on an excellent statement. It is obvious from this statement to those who are familiar with Mayor West's years of experience in the field of municipal administration and urban planning and coordinating with State and Federal agencies, that this man knows his job. I am very familiar with the Smith study on highways, so I agree. I never realized until then how we were distorting our understanding of the highway system when we were year by year reporting that we have added 6,000 more miles to the Interstate System and then next year 8,000 more miles, when all the time 80 percent of the vehicle owners and users, who were paying the taxes for the program, could not use these miles or get on to them. A high percentage of all the daily automobile trips in America are short ones. It is in the neighborhood of 80 percent, and certainly 70 to 75 percent. They are short trips where a father, for example, drives from his home to his business, or factory, or place of occupation or work. Mother drives to the school, the grocery store, the beauty parlor, the dentist or doctor, and back home. They are little, short trips, day in and day out. Millions of highway users are paying taxes for a program on which the mileage itself does not mean so much.

Am I correct, Mayor West, that these figures were given in the census count, as I recall it, and you can check me on that? They said

that between 1950 and 1960, in that decade, over 90 percent of the population increase took place on about 3 percent of the land area in America.

Mayor WEST. That is about correct. I know over 90 percent of the population explosion took place in the standard recognized metropolitan areas.

Mr. BLATNIK. And these metropolitan areas are areas which are spreading out in cohesive long strips.

Mayor WEST. That is right, and that is another reason why we are insisting, Mr. Blatnik—and you will notice it in my statement here—there are those who feel we should probably not extend the secondary road system, which is really a rural road system, into the urban areas, but you will notice from my statement I am not only insisting on that, which is in the bill, but also insisting that the urban road system be extended into the rural areas, because this is one road system. It is not urban and rural with one meeting the other if possible, but it is one continuous system, and we want a correlated system.

Mr. BLATNIK. It is an integrated system.

Mayor WEST. Let us not use that word. Let's say correlated.

Mr. BLATNIK. Call it whatever name you wish, it is absolutely sound. It has to be sound.

Mayor WEST. No; I was joking there. We have no trouble whatsoever there. We are in good shape.

Mr. BLATNIK. I am very impressed with the statement. Thank you very much, Mayor.

Mr. FALLON. Are there any other questions from members of the committee?

Mayor West, I think the members individually expressed themselves on the valuable contribution you have made in answer to the questions that came up here this morning, and I too would like to express my appreciation. Thank you very much.

Mayor WEST. Thank you, Mr. Fallon and gentlemen of the committee.

Mr. FALLON. We have next Mr. Mangan.

**STATEMENT OF MARTIN P. MANGAN, ASSISTANT COMMISSIONER,
BUREAU OF INDIAN AFFAIRS; ACCOMPANIED BY ROBERT J.
TRIER, CHIEF, BRANCH OF ROADS, BUREAU OF INDIAN AF-
FAIRS, DEPARTMENT OF THE INTERIOR**

Mr. MANGAN. Mr. Chairman, I am Martin Mangan, Assistant Commissioner of Indian Affairs; and with me is Mr. Robert Trier, the Chief of the Branch of Roads of the Bureau of Indian Affairs.

Mr. FALLON. On behalf of the committee we welcome you this morning and thank you for coming.

Mr. MANGAN. Thank you very much.

On April 16, 1962, the Department sent to this committee a report on the various bills pending before the committee today. Before submitting that report we had some very careful sessions with the Bureau of the Budget which resulted in a decision on the part of the administration to ask the Congress to appropriate for the agencies in the Department of the Interior for building roads that are in the

National Park Service, the Bureau of Indian Affairs, and the Bureau of Land Management, for the following appropriations for the years 1964 and 1965:

For park roads and trails, \$22 million in 1964 and \$25 million in 1965.

For parkways, \$16 million in 1964, and the same amount in 1965.

For Indian roads and bridges, \$16 million in 1964 and \$18 million in 1965.

For public land development roads and trails, \$2 million in 1964 and \$4 million in 1965.

Mr. FALLON. Mr. Mangan, isn't this No. 4 a new section?

Mr. MANGAN. No; I believe not, sir. The public land development roads and trails, you mean?

Mr. FALLON. Yes.

Mr. BALDWIN. Yes; it is a new section. Public land development roads and trails is something we have never had.

Mr. MANGAN. There will be some members of the Bureau of Land Management to explain that to the committee. These figures on the appropriations proposed to be authorized by H.R. 11199 and it is for that reason that the Department in its report recommended that of the bills now pending today, H.R. 11199 be the bill that is enacted.

With respect to the other provisions of the other bills, however, that do not bear on the appropriation authorizations for the Interior agencies, we find that they do not impinge upon our authorities, and so we have no reason to urge the merits of one bill as against another, except to urge the committee that if, in the event it decides to mark up one of the other bills other than H.R. 11199, the bill that is reported out be amended to include the appropriation authorizations that are contained in H.R. 11199.

Other than making that recommendation, Mr. Chairman, we have a fairly long report here and it does not need any elaboration or explanation, and if the committee were to make it part of the record I would leave it at that and request I might make a short supplemental statement and let the report speak for itself.

Mr. FALLON. Mr. Mangan, I have a communication here from the Assistant Secretary of the Interior. Do you want that to precede your testimony in the record?

Mr. MANGAN. Yes, sir. That is the Department's report.

Mr. FALLON. If there is no objection, it is so ordered.

(The report of the Department of the Interior, Office of the Secretary, dated April 16, 1962, is as follows:)

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., April 16, 1962.

HON. CHARLES A. BUCKLEY,
*Chairman, Committee on Public Works,
House of Representatives, Washington, D.C.*

DEAR MR. BUCKLEY: This responds to your committee's request for reports on H.R. 9725, a bill to authorize appropriations for the fiscal years 1964 and 1965 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, and H.R. 11199, H.R. 6758, H.R. 7415, and H.R. 9848.

We recommend that H.R. 11199 be enacted.

Although the other bills take substantial cognizance of this Department's needs, we believe that H.R. 11199 better meets those needs for the reasons stated below.

The following table sets forth the authorizations of H.R. 11199 as to the items in which this Department has a particular interest:

	1964	1965
Park roads and trails.....	\$22,000,000	\$25,000,000
Parkways.....	16,000,000	16,000,000
Indian roads and bridges.....	16,000,000	18,000,000
Public land development roads and trails.....	2,000,000	4,000,000

The rehabilitation and development of the public lands is being accelerated, within budgetary objectives, and expenditures for roads are becoming more significant. It seems only proper, therefore, that the authorization for roads on the public domain should be coupled with other road authorizations to provide a more comprehensive bill and to afford an opportunity for adequate consideration within the total road program.

Approximately 195 million board feet of timber are harvested each year from public domain lands administered by the Bureau of Land Management. This harvest grosses about \$5 million but has an end product value of \$100 million and creates an estimated 2,500 man-years of labor, a contributing factor to the economic growth of communities.

Section 2(b) of the Federal-Aid Highway Act of 1960 (72 Stat. 522) authorized appropriations for Indian reservation roads and bridges, \$12 million for the fiscal year ending June 30, 1962, and \$12 million for the fiscal year ending June 30, 1963.

The proposed increases in the authorizations for Indian reservation roads contemplated by H.R. 11199 would enable this Department's Indian Bureau to attain important objectives in education, conservation, and recreation; it would provide a better balance of these programs and result in a more efficient overall Indian Bureau program.

The strongest element in the priority ratings of Indian reservation road construction projects is the need for improved school supply and bus transportation. Many of the existing schoolbus roads are inadequate. The present condition of the roads causes severe damage to schoolbuses and renders the roads impassable in bad weather. Moreover, the Indian Bureau has an obligation to furnish education to some 5,000 children who are not now in school. The improvement of reservation roads will increase school attendance and improve the efficiency of the school operation.

All-weather roads are needed to permit school attendance of additional Indian pupils on a day rather than a boarding basis. The cost of construction and operation of day schools is approximately half that of boarding schools. In addition, the following advantages accrue to the Indian children when they can attend school on a day basis; they remain with their families and have the benefit of parental guidance during their formative years; their parents are encouraged to participate in school affairs thus giving support and more meaning to their education. In keeping with longtime objectives, Federal schools will be transferred to the public school system as rapidly as conditions permit. Readiness of the Indian parents and the community, organization of school districts, and availability of appropriate facilities are determining factors, and the operation of day schools will hasten their development. The building of all-weather road systems on the reservations would therefore result in savings to the Federal Government by promoting the more economical Federal school operations and facilitating the eventual withdrawal of Federal services.

The Bureau of Indian Affairs also has a backlog of need to furnish access roads to Indian forests for the harvesting and protection of Indian timber. The authorizations envisaged by H.R. 11199 would make it possible to improve the forest roads and thereby benefit forest development and protection which is an important factor in the economic development of the reservation.

A great expansion of industry on the reservations is underway. This takes many forms such as mining, oil and gas, timber, cattle, and farming. The efficient operation of these industries and the full development of their potential require an acceleration of the Indian Bureau road program. Road construction is also essential to the protection, conservation, and management of the natural resources on which these industries are based.

Although the Indian country offers outstanding recreation facilities, they have not been fully utilized for lack of adequate roads. Better roads will result in increased tourist business which is an important source of Indian income.

It is also obvious that the nationwide Federal and State programs for building Interstate and other State highways will greatly increase the number of tourists seeking recreation in the picturesque Indian country. This is an important economic opportunity for the Indian people. The Indian Bureau road system furnishes access from the main State highways to these recreation areas.

With respect to park roads and trails and parkways, the amounts set forth in H.R. 11199 are necessary if we are to make substantial progress on completing the Mission 66 program as to those types of roads. Even if the 1964 and 1965 authorizations are increased to the levels set forth in H.R. 11199, and appropriations are made at those levels for the balance of the Mission 66 program, there will still remain over \$173 million worth of work to complete national park roads and over \$68 million worth of work to complete National parkways after 1966. The above amounts, of course, take into account the normal increase in scope of the Mission 66 program due to additions, for example, Fort Davis and Fort Smith National Historic Sites, and Cape Cod National Seashore, which have been added to the National Park System during the past year.

The new system of Interstate and Defense Highways as authorized under the 1956 Federal-Aid Highway Act is now well underway and each year finds additional units completed which, because of their greater traffic volume, are bringing visitors to the parks, monuments, and parkways in ever-increasing numbers. Similarly, increasing authorizations for the primary highways of the United States, \$850 million in 1958 to \$950 million in 1965 as contemplated by H.R. 11199, result in bringing more and more visitors. The authorizations sought for national park roads and national parkways are necessary, we believe, for us to keep pace with the interstate and primary highways noted above.

Each part of the Federal program depends on the other and the public is very swift and vocal in recognizing deficiencies in any one phase. Our requested authorizations are based on trying to achieve an overall balanced program for the best public service. The authorizations envisaged by H.R. 11199 are vitally necessary to complete the road systems in the National parks and parkways now authorized by the Congress.

Because we believe that H.R. 11199 meets our needs and should be enacted, we have not commented in detail concerning the other bills.

The Bureau of the Budget has advised that enactment of H.R. 11199 would be in accord with the President's program.

Sincerely yours,

JOHN A. CARVER, JR.
Assistant Secretary of the Interior.

Mr. MANGAN. In addition to the Department's report we have delivered to the committee in ditto form a short supplemental report with respect to the needs for the Bureau of Indian Affairs in its road-building programs for the years 1964 and 1965. Here again, if the committee is to introduce that supplemental statement in the record, I would not dwell on it other than, if I may, to highlight two or three points in it. It is devoted largely to a chronicle of the history of roads on Indian reservations.

As you will note in the statement, there has been historically a lag in the building of roads on Indian reservations, and it is characterized as the outstanding blank areas on road maps, and very significant blank areas in some respects in recent years.

The Navajo Reservation, as the committee may know, is as large as all of the New England States put together, and as large as the State of West Virginia, and until the Congress enacted the general enabling statute for an Indian road system in 1928, and has since accelerated the appropriations for Indian roads, those blank areas have been very significant.

I think it is more than coincidental that there has been a lag in economic development in Indian country in that period in which road-building lagged. The roadbuilding recently accelerated and our statement would like to indicate that the acceleration needs accelerated.

I would like to point out we are now requesting a budget of some \$200 million for the Bureau of Indian Affairs for the Indian population of the United States for all reservations, which constitutes only about one-third of 1 percent of the total population of the United States. These \$200 million are expended in benefits over and above that which the Indians receive as citizens of the United States from other Federal, State, and local programs; but of that fairly substantial amount of money for a fairly small number of people, more than 60 percent of the people in the Bureau of Indian Affairs, and above 60 percent of the money expended is for school purposes. Yet we still have 5,000 Indian youngsters who are not in school at all and have a great many of them who are in boarding schools, because there is no means of bussing them from home to school and back home again on a day school basis. Generally it costs us about twice as much to provide education for an Indian youngster in a boarding school as a day school.

As against that, there is also the fact that their home life is disrupted. We move Navajo and Hopi youngsters all the way from Oklahoma and Riverside, Calif., and Carson City, Nev., and they are away from their homes for the most part all the months of the year, which is disruptive.

Also, through the Johnson-O'Malley Act and other methods we are trying to get them into the existing public school districts, and a road network is vitally needed for that purpose.

Also we are pointing out in this acceleration of economic development in the Indian country, there is a very substantial increase in income now being realized by the Indian people as a result of development in the fields of mining, oil, gas, timber, cattle, and so on, and farming, and some manufacturing. There have been some instances in which this latter industrial development of Indian reservations, which is fairly new, has had some tremendous impact.

One industry came in on the Pine Ridge Reservation in South Dakota last year, for instance, and the reservation having some 10,000 people located on it and having only seasonal migratory farm labor most of the year, where almost all of them go on welfare during the wintertime—in this particular instance the Wright-McGill Fishing Tackle Co. came in and provided 500 jobs on that reservation, and for the first time that winter there was an absolutely level line of welfare assistance, and no increase in the winter at all. One industry made that difference in a fairly large area like that.

I do not need to labor the point that unless there are improved roads, especially when we are confronted with a diminishing railroad service, and when air service does not lend itself particularly as yet to the advancement of the industrial development, that these roads are very vital to the Indian program.

Also a new result of the growth and its significance in the Indian country is that of the recreation potential. The back country of the Indian country is in many instances some of the most spectacular in the United States, but we will need roads to get people back into that country. The outdoor people are these rugged and intrepid types, but the Indian people would like to lighten their loads by relieving them of as much money as they can when they go through there, and we will need these roads to funnel them through the reservations.

I would like to close in our presentation by pointing out that although the Highway Act of 1960 provided a current appropriation

of \$12 million for the road system, we have actually had \$16 million in money available over the past few years, which is due to the fact that the Congress enacted a special statute, the so-called Andersen-Udall statute in 1958, being an act of Congress of August 23, 1958 (72 Stat. 834), which provided an additional \$20 million special authorization for the Navajo and Hopi Reservations. So, with the \$12 million provided by the Highway Act of 1960 and the \$5 million a year, per-year appropriation under the Andersen-Udall Act, we have had \$16 million for the past several years. That is \$16 million a year, and we propose to ask, notwithstanding the fact that the act expires in 1963, that we be permitted to continue the road program at a rate of expenditure of \$16 million for 1964, and a modest but much needed increase in 1965 to \$18 million.

That is the only testimony I have to offer, Mr. Chairman.

Mr. Zumwalt and Mr. Zaidlicz of the Bureau of Land Management are here and wish to make only a brief supplementary statement, and also Mr. Smith and Mr. Bayliss of the Park Service are here to supplement this with short statements.

Mr. FALLON. Without objection, your prepared statement will be made a part of the record at this point.

(The prepared statement of Mr. Mangan is as follows:)

STATEMENT OF THE BUREAU OF INDIAN AFFAIRS REGARDING H.R. 9725 AND H.R. 11199

The Bureau of Indian Affairs has been historically responsible for road transportation to serve Indian lands. In fact, the routes followed today by many of the interstate highways in the West were originally pioneered by the Bureau of Indian Affairs.

When lands in and adjacent to Indian reservations became occupied by non-Indians, road transportation became a local government function. Counties laid out and originally built most of the road mileage in this country. Financing was from land tax. Indian land, being tax free, received very little of the benefits of county road building. It was soon apparent that Indian reservations were blank areas on road maps.

Congress recognized the need for Indian reservation roads first by providing for specific roads and bridges. By 1928, the need was so great and so general that Congress passed the basic act authorizing the construction and maintenance of roads on Indian lands.

As funds were provided and roads constructed, Indian social and economic life responded in the same manner as had taken place earlier in non-Indian areas. A great deal has been accomplished, especially since the enactment of the Federal Highway Act of 1954. This and subsequent acts have provided contract authority for Indian Bureau roads. The amounts were more substantial and suitable than had previously been provided. While the Bureau road program has not caught up with the county programs, and while the blank spaces on the road maps have not yet been filled in, the Bureau need for road funds and roads is becoming more and more like the needs of normal rural communities.

We need roads that will stand the torque of the more powerful modern vehicle, and we need roads that will carry traffic in all weather. Especially, we need roads that will permit day school operation on the reservation.

All-weather roads are needed to permit school attendance of additional Indian pupils on a day, rather than a boarding basis. The cost of construction and operation of day schools is approximately half that of boarding schools. In addition, the following advantages accrue to the Indian children when they can attend school on a day basis: They remain with their families and have the benefit of parental guidance during their formative years; their parents are encouraged to participate in school affairs, thus giving support and more meaning to their education. In keeping with longtime objectives of the Bureau, Federal schools will be transferred to the public school system as rapidly as conditions permit. Readiness of the Indian parents and the community, organization of school districts, and availability of appropriate facilities are determining factors, and the opera-

tion of day schools will hasten their development. The building of all-weather road systems on the reservations would therefore result in savings to the Federal Government by promoting the more economical day school operations and facilitating the eventual withdrawal of Federal services.

It is also obvious that the nationwide Federal and State program for building interstate and other State highways will greatly increase the number of tourists seeking recreation in the picturesque Indian country. This is an important economic opportunity for the Indian people. The Indian Bureau road system furnishes access from the main State highways to these recreational areas.

A great expansion of industry on the reservations is underway. This takes many forms such as mining, oil and gas, timber, cattle, and farming. The efficient operation of these industries and the full development of their potential require an acceleration of the Indian Bureau road program. Road construction is also essential to the protection, conservation, and management of the natural resources on which these industries are based.

For these reasons, and after careful consideration of a proper balance of the various programs which the Bureau is carrying on, I recommend that \$16 million be provided for Indian roads in the 1964 fiscal year and \$18 million for the 1965 fiscal year.

Mr. FALLON. Mr. Mangan, do you want to present the gentlemen who are also here from the Department of the Interior?

Mr. MANGAN. Yes; I will, unless you have some questions of Mr. Trier and me.

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

Thank you very much for your statement, Mr. Mangan.

Mr. MANGAN. Thank you, Mr. Chairman.

This is Mr. Eugene V. Zumwalt, Chief of the Division of Forest Management; and Mr. Edwin Zaidlicz, a forester of the Bureau of Land Management; and they will be followed by Mr. Smith and Mr. Bayliss.

Mr. FALLON. Mr. Zumwalt and Mr. Zaidlicz, thank you very much for coming up this morning.

STATEMENT OF EUGENE V. ZUMWALT, CHIEF, DIVISION OF FOREST MANAGEMENT; ACCOMPANIED BY EDWIN ZAIDLICZ, FORESTER, BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

Mr. ZUMWALT. I am Gene Zumwalt, and this is Mr. Zaidlicz.

Mr. FALLON. Do you have a statement?

Mr. ZUMWALT. Yes, Mr. Chairman and members of the committee.

We appreciate the opportunity to appear before you regarding H.R. 11199. The committee has Secretary Carver's statement of the Department's views on this bill, which recommends its enactment.

My remarks will be limited to Bureau of Land Management requests under 205A—public land development roads and trails.

Mr. FALLON. Is that section 4 of the bill?

Mr. ZUMWALT. That is a new section.

Mr. FALLON. Would you explain that section to us, please?

Mr. ZUMWALT. Yes, sir. I will do that.

The sums cited under that portion of H.R. 11199 are \$2 million for fiscal year 1964 and \$4 million for fiscal year 1965.

The Bureau of Land Management administers a little more than 157 million acres of public forest land in the Western United States and Alaska, of which approximately 44 million acres are classed as commercial forestland supporting a stand volume in excess of 204

billion board feet. We expect to offer 195 million board feet of timber valued at about \$5 million in this fiscal year—1962. We estimate the end product values to be \$100 million and conversion of this material would support 2,500 man-years of labor.

Additionally 178 million acres of public rangelands in the Western United States and an estimated 100 million acres of usable livestock and big-game range in Alaska must be managed, protected, and developed. Access roads are essential to the management of these lands.

Recreational pressures for increased use of these lands by the public further emphasize the critical needs for adequate roads.

Heretofore it has been the practice to construct most of our roads in forested areas through timber sale contract requirements. While these roads serve their primary purpose, in most instances they are not adequate for the expanded use placed on them now. Our timber sale purchasers are normally not professional roadbuilders and standards for multipurpose roads generally impose a severe burden on their construction activities. The standards of roads needed for full resources development—serving timber, minerals, range, recreation, water, protection, and wildlife—exceed their modest equipment and skills.

The 1964 program at the requested level of \$2 million would permit construction of about 290 miles of road, surfacing 45 miles, acquisition of 50 miles of private road, and construction of five bridges.

The 1965 level of \$4 million would provide for construction of about 630 miles of road.

Inclusion of Bureau of Land Management road needs within the scope of this legislation as enacted by the Congress will provide needed support for the public land resource programs insofar as roads are concerned and will afford a basis for timely and orderly development of our road program.

Mr. FALLON. Are there any questions on my right? Any questions, Mr. Baldwin?

Mr. BALDWIN. Mr. Zumwalt, could I ask this question: We in the past have appropriated funds just for public land highways as far as public land is concerned. As I understand it, the objective of those highways would simply be to cross public lands and not to develop timber, or anything else. I take it at times, however, that the public land highways have been indirectly beneficial toward the getting of timber from such public lands as happen to be nearby, and, therefore, would be a convenient means of access. Would that be an accurate statement?

Mr. ZUMWALT. That is correct.

Mr. BALDWIN. So the only difference between the public land highways we have authorized them in the past and the public land development roads is that although in the public land highways there might be an incidental benefit in getting timber out, as far as the new category is concerned, the primary objective of it would be to place them in such locations as would facilitate the getting out of timber from that public land. Is that an accurate statement?

Mr. ZUMWALT. That is a correct statement.

Mr. BALDWIN. Thank you.

Mr. FALLON. Are there any other questions?

Thank you very much, Mr. Zumwalt.

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

Mr. FALLON. Mr. Zaidlicz, do you have a statement you wish to make?

Mr. ZAIDLICZ. No, sir; I do not. I have some supplemental information if you have any questions on the program.

Mr. FALLON. There are no further questions so thank you very much, Mr. Zaidlicz.

Mr. Bayliss and Mr. Smith.

STATEMENT OF HAROLD G. SMITH, CHIEF, OFFICE OF PROGRAM COORDINATION; ACCOMPANIED BY DUDLEY BAYLISS, CHIEF OF PARKWAYS, NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR

Mr. SMITH. Mr. Chairman, my name is Harold Smith and I am Chief of the Office of Program Coordination. Accompanying me here is Mr. Dudley Bayliss, Chief of Parkways. Director Wirth asked us to convey his regrets to you, Mr. Chairman, and to this committee, for his inability to be here today. At the last moment this morning he was notified of a conference with Secretary Udall and could not make it.

I have a brief statement that I should like to read, with your permission.

Mr. FALLON. Go right ahead, sir.

Mr. SMITH. As of January 1, 1962, the National Park Service administered 192 individual national parks, monuments, recreation areas, and areas in other classifications. These areas included nearly 26 million acres of federally owned lands, and during the travel year ending December 31, 1961, visitors totaled nearly 79,039,800. This does not include the estimated 7,623,000 visitors to the memorials and other areas administered by National Capital Parks here in the District of Columbia and nearby areas.

These parks, monuments, and other areas, including parkways, contain about 7,750 miles of roads, and about 8,750 miles of trails. It is the policy of the National Park Service to construct roads to what is considered to be a representative or fair assortment of interesting or distinguishing features, usually representing the prime features for which the areas were set aside. These roads are supplemented by trail systems to meet the demands of those visitors who wish to get away from the more densely populated areas and see some of the wilderness or other scenic, scientific, or historic features of interest. It is not the intent of the Service to construct extensive additional road mileages. In addition to roads and trails for visitor use, the Service constructs utility roads, and truck trails required for forest protection, ranger patrol, and so forth.

On the average, about 80 to 85 percent of our road construction has been for reconstructing or replacing existing roads, many of which were constructed on routes established 50 or more years ago, in the case of Yellowstone, for traffic which was predominantly by horse-drawn vehicles in the old days.

Very good progress has been made on roads and trails construction since the inception of the Mission 66 program, starting with the 1957 fiscal year. During the 6-year period 1957-62, more than \$101

million has been authorized for roads construction. The 1963 budget estimates call for an \$18 million roads construction program, and about \$75 million will be needed to carry out the roads and trails construction contemplated for the remaining 3 years of the Mission 66 program.

Another \$183 million is estimated to be needed to complete construction after 1966.

It is recommended that the present roads and trails authorization of \$18 million be increased to \$22 million for the 1964 fiscal year and to \$25 million for the 1965 fiscal year. This increase will be necessary if we are to keep up with the growing demands for reconstructing existing roads; to provide roads in areas which have been added to the national park system in recent years, and for those areas which are proposed for addition within the immediate future years.

One of the problems that has faced the Service during the past 2 years and which will be largely corrected by the increased authorizations has been the lack of roads and trails funds to keep in balance with the funds appropriated for buildings, utilities, and miscellaneous construction. For example, during the current fiscal year we have nearly \$38 million appropriated for building buildings, utilities, and other facilities. In the 1963 budget we have \$31,153,000 for buildings and utilities.

All of those programs are not sufficient now to provide all of the minor roads required to serve campground units, to provide the service roads to utility areas, and so forth.

The Congress has been very sympathetic and has given us considerable financial assistance in meeting all the public demand for these campground facilities, but we have not been able to meet all the high priority roads and trails projects and at the same time provide sufficient funds for access and circulatory roads in campgrounds.

In the case of parkways, authorizations of \$16 million are being recommended for each of the 1964 and 1965 fiscal years. This is the same amount as currently authorized. It is estimated that \$129,773,800 will be required beginning with the 1964 fiscal year to complete six of the nine authorized parkways. These parkways are the Blue Ridge in North Carolina and Virginia; the Colonial in Virginia; and George Washington Memorial Parkway in Maryland and Virginia; the Natchez Trace in Alabama, Mississippi, and Tennessee; the Foothills in Tennessee; the Rock Creek and Potomac Parkways in the District of Columbia; and the Baltimore-Washington and Suitland Parkway in Maryland and the District of Columbia; and the Palisades Parkway in the District of Columbia.

We have made good progress on the parkway program as a whole under the Mission 66 program, and particularly good progress has been made on the Blue Ridge Parkway since the beginning of the Mission 66 program in 1957 fiscal year. The amount of \$93 million has been authorized for parkways construction.

The 1963 program of \$16 million would bring this figure up to \$109 million.

The parkways total approximately 1,100 miles, of which 672 miles have been completed, about 140 miles have been started, and about 285 miles remain to be started.

The Colonial Parkway in Virginia has been essentially completed and nothing further is contemplated on the construction of the Baltimore-Washington and Suitland Parkways at this time, except

for such safety measures as grade separations, stoplight installations, and so forth, to meet developing traffic and safety needs.

Mr. Chairman, that concludes our statement and we will be happy to attempt to answer any questions you or the committee may have.

Mr. FALLON. Mr. Smith, we very much appreciate your statement. I know how you feel about the amount of money you should have.

Mr. Baldwin, do you have any questions?

Mr. BALDWIN. I have just one.

Mr. Smith, have you received appropriations during the last 2 fiscal years up to the maximum of the authorizations for park roads?

Mr. SMITH. No. We have been receiving cash appropriations in a lesser amount than the amounts of appropriations authorized. This has not worked any hardship on us because there is a lag between the time we have to pay the contractors and the time that the project is authorized.

Mr. BALDWIN. Could I ask specifically, for example, in fiscal year 1962, which is closing out on June 30, what was the amount appropriated in relation to the amount authorized?

Mr. SMITH. During the 1962 fiscal year—I have the figures right here, sir—we were appropriated \$30 million. Of this amount \$14 million was for parkways. We have a \$16 million authorization, and that is the size of our program. We carry out a \$16 million program, but cash in the amount of \$14 million is sufficient to meet our payments to contractors, and in subsequent years we will pick up the remainder.

For roads we were appropriated \$16 million and are authorized \$18 million in the program.

Mr. BALDWIN. What is in the budget for fiscal year 1963?

Mr. SMITH. For 1963 we have \$30 million for liquidating the contract obligations incurred under the Federal highway authorizations.

Mr. BALDWIN. Is that broken down conveniently \$14 million for parkways?

Mr. SMITH. Yes, sir. \$14 million for parkways and \$16 million for roads and trails.

Mr. BALDWIN. So once again you are cut \$2 million below the authorization in each grant?

Mr. SMITH. Yes, sir. And so far the cash has been sufficient to meet the payments to contractors. This is not working any hardship on us.

Mr. BALDWIN. Thank you.

Mr. FALLON. Any questions, Mr. Scherer?

Mr. SCHERER. No questions.

Mr. FALLON. Mr. Smith and Mr. Bayliss, on behalf of the committee we appreciate your giving us your time this morning. Thank you.

Mr. SMITH. Thank you, sir.

Mr. FALLON. The committee stands adjourned until 10 o'clock tomorrow morning.

(Whereupon, at 12:35 p.m., the subcommittee recessed until 10 a.m. the following day, Wednesday, May 2, 1962.)

FEDERAL HIGHWAY ACT OF 1962

WEDNESDAY, MAY 2, 1962

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

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

Mr. FALLON. Ladies and gentlemen, the Subcommittee on Roads is meeting this morning in a continuation of hearings on H.R. 9725, H.R. 11199, and H.R. 9848. Mr. Buckley?

Mr. BUCKLEY. Before we start the hearing today I would like to have Mr. Cook read a telegram sent to him, and I would like to have Mr. Johnson read a telegram sent to him. At this time I yield to Mr. Cook.

STATEMENT OF HON. ROBERT E. COOK, A MEMBER OF CONGRESS FROM THE STATE OF OHIO

Mr. COOK. Mr. Chairman, I received a telegram here from the Governor of Ohio, Michael V. DiSalle, with reference to these bills which the committee is now considering. With your permission I would like to read into the record the telegram received from the Governor with reference to this legislation. It reads as follows:

MAY 2, 1962.

Hon. ROBERT E. COOK,
*U.S. Congress, House of Representatives,
New House Office Building, Washington, D.C.*

DEAR CONGRESSMAN: Since receiving your letter of April 19, 1962, I have had an opportunity to discuss H.R. 11199 and the statement relating thereto made by J. C. Womack, president, American Association of State Highway Officials, with E. S. Preston, Director of Highways, Ohio.

With respect to the A-B-C authorizations for the 1964 and 1965 fiscal years, we would favor the amounts proposed in Fallon bill, H.R. 9725, due to magnitude of need on the A-B-C system to provide adequate connections to interstate highways.

Section 3 of H.R. 11199 proposes assistance to displaced families and businesses. It is our belief that it is proper and desirable to reimburse occupants for their actual moving costs when they are forced to relocate to make way for highway construction. It is recommended, however, that public housing agencies (other than highway departments) be charged with responsibility of assuring temporary and permanent housing referred to in the bill. Such cooperative arrangements would appear to be quite feasible. Even with the payment of relocation assistance, it is necessary to develop better conditions for advance purchase of rights-of-way than presently exists.

Section 4 of H.R. 11199pr opposes to increase the authorizations for certain public domain roads, particularly forest development roads and trails. We are not opposed to such authorizations provided that they are not financed from the highway trust fund.

Section 6 expands the Federal-aid secondary highway system to permit extensions of this secondary system in urban areas. We consider this to be desirable.

Section 7 deals with transportation planning in metropolitan areas. We are in agreement with this proposal providing that there is flexibility permitted in the effective date requiring such planning so that continuing planning processes can be established without interrupting the continuity of the highway program.

Section 8 would increase highway planning and research funds on A-B-C authorizations from 1½ percent to 2 percent.

We are in accord with this proposal. It is understood that this section as proposed would also prohibit reversion of unused 1½ percent funds to construction. Such a provision would greatly stimulate highway research and planning. Many States are inclined to defer research and planning in order that they may use these funds for their unsatisfied construction needs. Such action is understandable but, to a great extent, is responsible for significant lag in highway research. An orderly, continuing research program, on a national scale, is essential if we are to have a progressive and effective highway program.

We respectfully suggest that the position of the various highway departments as stated by Mr. Womack in his presentation to your committee does not represent the present thinking of many of the States. Mr. Alfred E. Johnson, executive secretary, American Association of State Highway Officials, contacted the head of each highway department by telegram on April 11 and requested an immediate reply. It was unfortunate that the States did not have a copy of the bill nor an adequate explanation of its provisions. We have been in contact with the heads of several highway departments in neighboring States and they are generally in accord with the recommendations stated herein.

We appreciate the opportunity to express our recommendations to you on this important piece of legislation.

MICHAEL V. DI SALLE,
Governor, State of Ohio.

Mr. BUCKLEY. Now I yield to Mr. Johnson.

STATEMENT OF HON. HAROLD T. (BIZZ) JOHNSON, A MEMBER OF CONGRESS FROM THE STATE OF CALIFORNIA

Mr. JOHNSON. Mr. Chairman, I have just been handed this telegram, which is addressed to the chairman of the full committee, Hon. Charles A. Buckley, by the Governor of our State, Edmund G. Brown, and I would like to read it into the record, if I may. [Reading:]

MAY 2, 1962.

HON. CHARLES A. BUCKLEY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: As author of the administration's bill, H.R. 11199, I thought you might find helpful an expression of California's viewpoint thereon. California through its highway organization is an enthusiastic member of the American Association of the State Highway Officials and we have been singularly honored by that association's action in electing our able State highway engineer, J. C. Womack, as its president. It was in the capacity of president of that association that he appeared before you on April 17 of this year, presenting in the main the policy statement of that association as adopted in its annual convention last fall and the views of its legislative committee representing many States. Varying conditions and viewpoints throughout the country inevitably result sometimes in differences of opinions and feelings as to details but not necessarily as to broad questions of policy. To me H.R. 11199 involves such broad questions. It contains four main provisions:

(1) Apportionments: California is not sufficiently affected by differences between the various bills as to the amount of A-B-C apportionments to be greatly concerned. However, in our State continued progress on the Interstate System is very important. California can also use to good advantage any possible increases in the public lands road program.

(2) Assistance to those displaced by property acquisition, hardships, or inconvenience may be imposed on some of those displaced by highway right-of-way acquisition and we are in accord that any hardships should be prevented or alleviated to the greatest extent practicable. California has worked with consider-

able success on the problem. We take the attitude that the highway program is for the people, all the people, and must be pursued with consideration and with public concern for those directly affected, as President Kennedy himself has said.

(3) and (4) Transportation planning and increased research: We are also in accord with the desirability and necessity for more comprehensive transportation planning and increased research.

In the current fiscal year all Federal funds available plus the required State matching funds, the total being in an amount of nearly \$5 million, have been programmed for planning and research. In addition, State funds in a substantial amount are used on Federal participating studies. The proposed requirement for an increased minimum expenditure for research is acceptable for California.

California is proud of its present planning and research programs. As an example, the regional transportation study including land use being conducted in the Los Angeles area covers about 9,000 square miles and embraces a population of over 8 million people and a vehicle registration of over 4 million. The study covers 3 entire counties and portions of 2 more and 92 cities. All of the local governmental agencies, their planning staffs, the local transit systems, the Federal Housing and Home Finance Agency, the Bureau of Public Roads, and numerous private interests and organizations are actively participating.

We are now starting preparation of a prospectus to develop a similar study covering nine counties in the San Francisco Bay area. Full local participation is planned. Over the years many studies covering smaller areas have been made.

While we understand that there may be some modification in language considered for purposes of clarification and ease of administration, the basic objectives of the administration's bill are sound and are endorsed by California.

Best regards,

EDMUND G. BROWN,
Governor, State of California.

That is the statement of our Governor, and I am certain that all of us from California are very much in favor of the bills that are presently before your committee—H.R. 9725, H.R. 11199, and the other bill you mentioned of Congressman Scherer of Ohio.

Mr. Chairman, I have a prepared statement here which reads as follows:

Mr. Chairman, on September 21, 1961, President Kennedy sent Congress a report from the Department of Agriculture recommending "A Development Program for the National Forests." The report gives estimates of what must be done during fiscal years 1963-72 to meet current and long-range demands for the products and services of the national forests on a continuing basis.

The development program amplifies and updates the national forest program sent Congress by the preceding administration in 1959. It provides more work and effort in areas where pressure on resources of the national forests has revealed inadequacies in the 1959 program. These areas are:

- (a) Recreation use of the forests;
- (b) Demand for forest products;
- (c) Need for multiple-purpose roads; and
- (d) Need to acquire lands within forest boundaries, especially for recreation.

Under the development program, it will be possible for management and utilization of national forest resources to keep pace with population growth and the expanding needs of the national economy during the next decade. Many of the benefits of the 10-year program will carry over and contribute to meeting the long-range demands on the forests. For roads and trails this means servicing in the year 2000 (a) protection requirements of a watershed producing 200 million acre-feet of water annually; (b) recreation and wildlife resources used by 635 million visitors each year; (c) timber resource supporting an

annual cut of 21 billion board feet; and (d) 60 million acres of range-lands.

The immediate benefits that will result from the development program include the following:

(a) Receipts to the Treasury will increase to about \$230 million annually by the time the program is completed. This is more than double current receipts.

(b) Increased payments to the States from the receipts coupled with a higher level of expenditures for roads and fire control in the national forests will greatly strengthen local governmental units and local economies.

(c) The capital value of the timber, forage, and lands of the national forest system will be increased about \$2 billion.

(d) The program will provide direct employment for about 32,750 workers at its peak. Much of this will be in areas of labor surplus and low rural incomes. Of the 186 million acres of land administered by the Forest Service, 80 million acres are in such area.

(e) The timber harvest will rise to about 13 billion feet of sawtimber in the final year of the program. This amount of timber will have a consumer value of over \$4 billion and provide 800,000 man-years of work during the year. This is about twice the current levels.

(f) Recreation visits will rise to 195 million annually by 1972. The business generated by these visits will have a value to the national economy of more than \$1.5 billion.

Road and trail work is the keystone of the program. Any reduction in road and trail work scheduled for any given year of the decade will delay progress in all other sectors of the program. Construction scheduled for the period will cost \$1,686,489,000. It is to be financed with \$1,212,479,000 of appropriated funds and \$474 million by purchasers of timber. During the same period \$242 million will be required for maintenance of which \$181,500,000 will be from appropriated funds. To accomplish this work, authorizations of \$50 million, \$70 million, and \$85 million, respectively, for fiscal years 1963, 1964, and 1965 are necessary.

Since maintenance takes first priority, any reduction below these levels of authorization will cause a corresponding reduction in funds for construction. The total miles of timber roads planned must be built anyway in order to meet the timber-harvesting goals sought by the logging and lumbering industry. Authorizations for less than the amounts being asked for will make it necessary for the buyers of timber to do a greater percentage of the work. This shift of road construction work to timber buyers will reduce receipts to the Treasury and the 25 percent payments to the counties. Many important fire control and recreation roads would be deferred to future years.

Accessibility is the absolute key to the accelerated requirements for intensified use of recreation resources in combination with an accelerated timber harvesting program asked for by the President. Accessibility is also the key to the protection of the vitally important national forests and their watersheds from fire and destructive pests. This accessibility can only be provided through an accelerated roads and trails program.

Accordingly, Mr. Chairman, I would like to offer the following amendment to H.R. 9725:

Substitute for paragraph (3), section 2, the following:

For forest development roads and trails, an additional \$10,000,000 for the fiscal year ending June 30, 1963; \$70,000,000 for the fiscal year ending June 30, 1964; and \$85,000,000 for the fiscal year ending June 30, 1965.

You will note that this language would amend H.R. 9725 to conform with H.R. 11199, also under consideration at this hearing.

Thank you.

I would like to point up one very important phase of consideration that we hope this committee will give to the forest roads and trails item mentioned in this bill. At the present time the bill H.R. 9725 rests at \$40 million. We are very much in support of the figures included in H.R. 11199, increasing that amount by \$10 million for fiscal year 1963, and \$70 million for fiscal year 1964, and \$85 million for fiscal year 1965.

In support of that I would like to say that coming from California and representing the type of district I do, it includes 19 of California's counties. Its area amounts to about 53,000 square miles, and each and every county participates in this program. We are very much interested in seeing the forest roads and trails program expanded. It has been expanded in the past through the consideration of this committee, and I am certain that every dollar that was put into the program has been returned to the Federal Government, or will be returned to the Federal Government. I am sure that the figures we ask for in this particular bill will be returned over the years.

You have heard from many of the experts representing the Departments here in Washington. I think the testimony by Mr. Greeley was a very factual statement which covered everything I could say, and I would only be repeating if I were to go into the details of his statement; but in opening up the forest roads and trails we do four main things to the area that we are talking about. We are trying to open up our forests for recreation; we are trying to open up our forests for the proper harvesting of timber, and we are trying to open up our forests for the multipurpose uses such as control of disease, fire control, and proper management, as well as in opening up these forests we do a much better job in the harvesting of the timber.

I might say that these roads provided for by the Federal Government in our forests bring in more competitive bidding when these timber sales go up for bid. There are more people who are able to participate and the returns to the Government are greater, and, in turn, the counties benefit. I have 19 counties in my district and each and every county participates in the forest receipts returned to the county. In some counties it amounts to as much as \$1 million a year, and to a small county that is a sizable item. It is split up and used 50 percent for county roads and 50 percent for the schools.

I believe you gentlemen realize every county that participates in this program is very thankful for the consideration given to this particular item, because this means a great deal to us, not only in receipts, but in the recreational uses that the people make of this great resource we are trying to perfect. In California this resource in my district is the main economy as far as our counties are concerned. I believe that the tourism dollar, or the recreational dollar, whatever you want to call it, is the No. 1 industry in my particular area. Some of the counties tell me they depend on the tourism dollar to the extent of 6 percent of their funds, and most of it comes from people who come

in there and who use the very roads we are talking about to seek their recreation. We have a vast forest area in California which amounts to 22 million acres of land in our State. Fourteen million of those acres are within my congressional district. We have 10 complete national forests and parts of 3 others, and a great deal of national park land.

Therefore I ask your committee to give real consideration to the increased amounts that we ask for in the present bill which is before you, and the Fallon bill, which we hope would be amended if it were going to be the bill approved, so as to include these amounts.

When your committee meets in executive session I would like to have you give us consideration on the proposed amendments to the Fallon bill, and the Scherer bill, and I would support H.R. 11199 because it does have these figures in it. However, I know that your committee will consider all of the legislation, and I hope that the forest roads and trails items are increased in this authorizing legislation for the A-B-C program.

Mr. FALLON. I thank our colleague for his presentation of the problems of his State. We certainly in the past have been very sympathetic and continue to be.

Mr. JOHNSON. I thank you, Mr. Chairman. I certainly want to say we have appreciated the past considerations of this committee.

Mr. SCHERER. May I ask our colleague one or two questions?

Mr. JOHNSON. Yes; go right ahead.

Mr. SCHERER. I understand that Mr. Womack is the State highway director of the State of California.

Mr. JOHNSON. Mr. Womack is the State highway engineer.

Mr. SCHERER. As I recall it, he is the top highway man, though, in the State of California?

Mr. JOHNSON. Yes; he is, and we have a director of public works. Mr. Bradford is the director of public works and also chairman of the California State Highway Commission, but Mr. Womack is the State highway engineer, and through his office pretty nearly all of the highway work is done.

Mr. SCHERER. And Mr. Womack is also this year's president of the American Association of State Highway Officials.

Mr. JOHNSON. Yes. Our State was very highly honored when he was elevated to the presidency of the American Association of State Highway Officials.

Mr. SCHERER. And you are familiar with his testimony before this committee in connection with these very hearings?

Mr. JOHNSON. Yes; I was present when he was here the other day.

Mr. SCHERER. You read the telegram this morning from your Governor, overruling the testimony of Mr. Womack, his highway director now?

Mr. JOHNSON. I think in the telegram, Mr. Scherer, if I read the telegram properly or correctly, I believe he said that Mr. Womack was here representing the American Association of State Highway Officials, and the legislative committee of that body, and he presented their views, and not the views of the State of California. I think the telegram very pointedly points that out.

Mr. SCHERER. I realize Mr. Womack was here representing the American Association of State Highway Officials, but I understand from his testimony that these were also Mr. Womack's views, and that he participated in the policy adopted by the American Association of

State Highway Officials. We must admit that the position that your Governor now takes with respect to the legislation before us is different from that stated before this committee by Mr. Womack, who is an authority, and perhaps one of the outstanding authorities on highways in the United States.

Mr. JOHNSON. Mr. Scherer, I don't want to—

Mr. SCHERER. We have a similar situation in my State. Mr. Preston is a prominent and active member of the American Association of State Highway Officials, and I see now that our Governor has overruled Mr. Preston's position with reference to this legislation. It seems to me that the men who understand highways are now being overruled by the politicians.

Mr. JOHNSON. In his telegram the Governor states here that Mr. Womack appeared in the capacity of president of the American Association of State Highway Officials before you on April 17, of this year, presenting in the main the policy statement of that association as adopted in its annual convention last fall, and the views of its legislative committee, representing many States.

Mr. SCHERER. I understand, and I agree that he did that, but what I am saying is, it is my understanding that those were also Mr. Womack's personal views on this legislation, and that he helped to formulate, as president of that association, the position taken by that association before the committee with respect to the legislation now before us. You seem to have a little bit more trouble in California about what position is taken with respect to the legislation before us.

I have a statement here of Frank C. Balfour, perhaps one of the outstanding authorities in the country on these matters. He prepared a statement with specific reference to section 3 (a), (b), (c), and (d), entitled "Assistance for Displaced Families and Businesses." Mr. Balfour was chief right-of-way agent for the California State Highway Right-of-Way Department, and he was chairman of the right-of-way committee of the American Association of State Highway Officials. He was one of the founders of the American Right-of-Way Association, the national chairman of the American Right-of-Way Association, the national executive vice chairman of the American Right-of-Way Association, and is now full-time national executive vice chairman of the American Right-of-Way Association.

Of course, his report or his testimony in this statement agrees with that of Mr. Womack, and is opposed to the position taken by your Governor as outlined in the telegram you just read. This was prepared for this committee, so we might as well have all of the viewpoints of the people in California together. I ask that Mr. Balfour's statement be made part of the record at this point.

Mr. FALLON. If there is no objection, it is so ordered.

(The statement of Frank C. Balfour is as follows:)

STATEMENT¹ OF FRANK C. BALFOUR, RELATIVE TO THAT PORTION OF H.R. 11199, "ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES" (SEC. 3)

This statement is submitted by Frank C. Balfour, as an individual and not on behalf of the American Right-of-Way Association.

The American Right-of-Way Association is a nonprofit, educational organization, operating throughout the United States and Canada, with the basic purposes

¹ Statement submitted by Frank C. Balfour, as a public right-of-way acquisition expert, specializing in State highway right-of-way work on proposed inclusion in H. R. 11199 (or any other congressional legislation of similar provisions) of sec. 3 (a), (b), (c), and (d), entitled, "Assistance for Displaced Families and Businesses."

of the association being to unite the efforts of all right-of-way men toward improved techniques in public and quasi-public right-of-way and land acquisition; to promote high standards and a cooperative spirit among its members; to assist its members in better educating themselves to better serve their employers; to engender in its members attributes which elevate the profession and to provide mutual protection and advancement for its members.

The American Right-of-Way Association operates under a strict code of ethics and stands on the basic principle of competently handled, honest, completed transactions and the articles of incorporation of the association prohibit participation in politics or political activities in any way.

It is my considered opinion, based upon many years of experience in handling right-of-way acquisition for proposed State highway construction, especially in connection with the inconvenience and disruption of the normal life of affected occupants of residential, business, industrial, and agricultural properties that, unfortunately, the type of legislation proposed in H.R. 11199 and other bills that have been introduced in the House and Senate is aimed at the correction of the results of a crash highway construction program as it affects property owners, rather than being properly aimed at the cause of the situation.

In this connection, you are asked to consider the several, following, important factors:

1. The Federal interstate highway program was initiated by enactment of the Federal highway legislation of 1956 and immediately upon passage of this legislation that had been under consideration for several years, there was an insistent demand on the part of the Federal administration and Federal agencies; also by the Governors, State legislatures, civic bodies that supported the legislation, and the American Association of State Highway Officials that the several States make an immediate showing in awarding contracts for construction.

It is conceded that a limited number of the State highway departments were not properly organized and staffed to handle this large, increased construction program on a crash basis. In practically all of the States, this situation has been corrected, notwithstanding the fact that compensation paid to engineering and right-of-way personnel is far below the standards of compensation paid for similar type work in private enterprise. We must face up to the fact that, in this modern day and age, we get only what we pay for and that, unfortunately we still have the situation in some of the States where the salary offered for men who are supposed to be of professional capacity and experts in public right-of-way and land acquisition are less than the salaries paid laborers on highway construction projects.

Florida and Massachusetts are two outstanding examples where State governments have attempted to secure the services of trained, experienced, and competent right-of-way professionals at salaries of \$125 to \$135 a week.

2. Proper consideration, in many cases at the State level, has not been given to proper coordination of the overall program with the result that little or no consideration has been given to allowance of required leadtime between completion of the design function and the initiation of the construction function in which to handle the all important right-of-way acquisition function.

3. It is of vital importance that sound educational, in-training programs be initiated within the weaker State highway right-of-way departments to the end that right-of-way department personnel is properly educated and given the proper background of basic training to handle this important function.

Fortunately, the American Association of State Highway Officials, with the full cooperation of the Bureau of Public Roads, National Appraisal Societies and the American Right-of-Way Association, has taken immediate steps to eliminate this void.

4. The very basic foundation upon which successful negotiations can be accomplished is sound right-of-way valuation procedure, handled by thoroughly experienced, competent, and honest right-of-way valuation experts to determine the fair market value to which affected property owners are entitled; compensation that is fair to the affected property owner and fair to all of the other taxpayers.

It is of vital importance that this function be carried on by right-of-way valuation experts and not by general real estate appraisal practitioners.

5. It is my considered opinion that any proposed legislation, to properly protect and assist displaced families and businesses, should be aimed at the cause of the problem—lack of proper leadtime to carry on the right-of-way acquisition function—and not at the result of inadequate leadtime.

6. The right of the Federal Government, and several of the States under statutes, to file a declaration of take in the court of jurisdiction, at which time title to the required land actually passes to the governmental agency and at which time the agency may, legally, take immediate possession, and the statutes of other

States, permitting the right of immediate possession, filing proceedings of eminent domain in the proper court of jurisdiction, is a sound legal procedure. Unfortunately, the legal privilege of "right of possession" has, at times, been abused by administrative officers in their determination to get construction underway. In other words, too many governmental agencies lean too strongly on the right of eminent domain without giving proper consideration to the affected property owners who are the taxpayers and who, in turn, pay their salaries.

It has long since been proven in major public construction operations such as the huge California State highway construction program that, under proper coordination of the various secondary activities that go to make up the major feature of the entire plan, the actual construction, under proper planning procedure, no property owner or tenant in an affected property suffers any hardship under present existing laws and procedures that give every tenant in possession a reasonable period of time to consider an offer of settlement and in the event negotiations fail and the property must be acquired by eminent domain proceedings, a reasonable period of time in which to relocate and rehabilitate themselves.

Proof of this statement is the fact that in States such as California, where in the neighborhood of \$200 million per year is being expended for the acquisition of land, and approximately 10,000 parcels are being acquired each year, the occasions when an order of immediate possession is taken and a writ of assistance is required to remove the tenant in possession are very remote. As a matter of fact, in the California State highway operation, I am advised that only 2 or 3 tenants in possession have been evicted by court procedure in connection with the last 40,000 or 50,000 parcels that have been acquired for State highway right-of-way.

I sincerely believe that, except in those emergency cases such as national defense and flood control projects handled by the Army Corps of Engineers, the enactment of the legislation proposed under H.R. 11199 would result in similar type of legislation being forced upon the majority of the several States and such enactment would include quasi-public agencies that enjoy the right of eminent domain and such an overall legal procedure could well, during the next 10 or 11 years, cost the taxpayers of our Nation several billions of dollars in increased costs of right-of-way and land acquisition.

This, in my opinion, is unjustified for the clear-cut reason that the citizens of our Nation, who are privileged to live under our democratic form of government, certainly assume some obligations in connection with this privilege and one of the obligations is the necessity of the individual citizen landowner to give up such ownership when such concession is for the benefit of all of the citizens, and the proposed construction project represents the greatest possible public benefit with the least possible private property damage.

May I briefly analyze the difference between a real estate transactions under the general circumstances we are discussing and a normal real estate sale between two private parties. Let us assume that the transaction represents a consideration of \$20,000.

1. The owner receives the fair market value from the public agency, and it is, of course, the duty and obligation of the acquiring agency to be certain that full, fair market value is paid. However, if the sale is between private parties, the seller may or may not receive the full, fair market value, especially if the buyer is a good "horse trader."

2. In the sale to a public agency, the affected property owner receives cash; however, in the sale to a private party, usually some cash is paid and the balance is paid on terms, with the seller assuming a reasonable risk.

3. In the sale of this \$20,000, residential property, the usual and normal practice calls for the seller to pay a real estate broker a 5 percent commission, or \$1,000. However, in a sale to a public agency, seldom, if ever, is a commission paid.

4. Under usual procedure, the seller would be required to supply the buyer with a policy of title insurance in the amount of \$20,000; the cost of the policy is approximately \$142.50.

5. If, by chance, in a private sale title to the property is clouded, the seller might possibly have to pay several hundred dollars in legal costs to get his title cleared. However, in the sale to a public agency, the public agency will assume the major portion of the work and cost of clearing such faulty title.

If there is proper planning and coordination in the overall, proposed, public improvement and proper leadtime allowed for the right-of-way acquisition function, property owners and tenants in possession should and usually do receive a minimum period of 6 months and, in most cases, from a year to 18 months to re-adjust, relocate, and rehabilitate themselves at a new location and the savings in

real estate commission and usual seller's cost represent a sum of money well in excess of their out-of-pocket cost because of the necessity of having to vacate the premises being acquired by the public agency.

I am of the firm opinion that all governmental agencies, whether they be at the Federal, State, county, or local level, can and should be required to so coordinate their overall public improvement program so that affected property owners and tenants in possession are allowed a reasonable period of time to complete the real estate transaction through the modern negotiation process and additional time, if necessary, in the event settlement cannot be reached and the transaction must be concluded through eminent domain proceedings; that if any legislation changes are to be made, they should be aimed at the overall planning and procedure of governmental agencies and not at further giveaway programs.

In making this statement, I again call to your attention that it is the basic philosophy of the right-of-way profession that every property owner should be paid fair compensation for the taking of private property for public improvements and that a reasonable period of time should be allowed, between the conclusion of the acquisition and the required public possession of the property, in which to relocate themselves.

Statistics clearly indicate that during the period July 1, 1960, to June 30, 1971, governmental agencies and quasi-governmental agencies in the United States will expend in excess of \$60 billion for right-of-way and land acquisition for public and quasi-public improvements. It follows that the Members of Congress should realize and clearly understand that this type of legislation could result in an additional and unnecessary and unreasonable outlay of the taxpayers' money that could well amount to between \$7 and \$15 billion, and while an eyebrow may be lifted when I include quasi-public agencies having the right of eminent domain that would be affected by this type of legislation, you may feel that part of this huge sum would be an outlay on the part of the stockholders of public utilities and other quasi-public agencies. However, we submit that, under the laws of our Nation, the stockholders are entitled to a fair return on their investment and any increased capital investment obviously results in an increase in rates and the taxpayers pay the rates.

I am in complete agreement that all landowners and tenants in possession should receive equal consideration and equal treatment by all agencies but I believe that the problem that the General Services Administration has submitted to the Congress which has resulted in the introduction of H.R. 11199 is an attempt to correct the results of existing operations and conditions through a tremendous and unnecessary outlay of public funds rather than to proceed on the basis of correcting the problem at the source as suggested above.

H.R. 11199 proposes to "assure decent, safe, and sanitary housing to families displaced by construction of highways forming a part of the Interstate System" and touches upon a problem which appears simple, readily understandable, and easy of solution. The fact of the matter is, the subject is not simple; it is most complex.

Despite the laudable objective of assuring decent, safe, and sanitary housing to a certain sector of American society which may be displaced by public improvements and particularly by highway construction in the cost of which the Federal Government is participating, such a proposal and similar proposals should be subject to the usual tests of need. I submit that there is a serious question as to whether this type of bill will represent, over all, remedial justice. Because this type of legislation will, without a doubt, lead to similar types of legislation at the State level and will only substantially increase the cost of public and quasi-public improvements to the taxpayers and also to the ratepayers, it is urgently suggested that this proposed legislation be referred to the Select Subcommittee on Real Property Acquisition of the Committee on Public Works of the U.S. House of Representatives, under the chairmanship of Representative Clifford Davis of Tennessee, for careful study and recommendations back to the House Public Works Committee as a whole, before this very important legislation is considered for enactment.

In this connection, I submit for your consideration the fact that if a tenant in possession is occupying the premises under a lease agreement and there is no special provision to protect the fee owner in case of the property being taken under eminent domain, the tenant in possession, under the lease, secures a bonus payment consistent with the remaining value of the lease and in cases where the tenant in possession is not occupying the premises under the terms of a lease, the fee owner, under the legal provisions in all States, may evict the tenant in possession under presently prescribed legal proceedings.

Certainly, when governmental agencies come into possession of the fee ownership of such occupied properties, they are at least entitled, under reasonable conditions, to exercise the same rights as a private, individual owner.

I note with concern that one of the provisions of the proposed legislation requires that the Federal Government and the State cannot enter into an agreement for the construction of an interstate highway project or other Federal-aid project until the State assures that there are provided, or are being provided, housing facilities equal in number to the number of displaced individuals and families. In addition, the facilities must be in an area not generally less desirable than the area of such project, etc.; the facilities must be "available" to the families. They must be "reasonably accessible" to places of employment. The dwellings must be at rental rates "within financial means of the affected individuals and families."

Basically, the assurance which the State is required to make can well lead to arguments and contentions over such assurances which could well bring the interstate construction program to a complete halt or to long and critical delays in completion of the program for the reason that allegations by any small group or any individual that facilities are not equal in number or are not reasonably accessible or are in areas generally less desirable or are not within the financial means of the affected occupant could well become a subject of almost endless debate and could preclude the achieving of agreement so that the proposed, federally financed project could be initiated.

The highway program could become a subjective problem of establishing a housing program which was never intended to be within the concept of the highway construction program as this is the function of other governmental agencies.

PAYMENT OF MOVING COSTS DOES NOT GET AT THE ROOT OF THE PROBLEM

The real problem and the solution, basically, have to do with the time permitted persons and families to plan and make arrangements for necessary moves.

If property owners are suddenly descended upon by an importunate State government and forced to move in a period of 1, 2, 3 months, without any prior notification, it is obvious that distress occurs and a real burden is placed upon property owners and tenants. Moving costs are one of the burdens.

But, if families are given ample time, if they have notification 3 to 6 months before their property is appraised and if they are given ample and reasonable time to consider the offer made to them for the property; if adequate time is permitted to find reasonable substitute locations: citizens so affected will be able in nearly all cases to take care of themselves.

The root of the problem goes to the amount of time given by the State highway organization to its citizens. In right of way parlance, this problem is called "adequate leadtime." There must be ample notice; appraisals and negotiations cannot, must not, be achieved overnight. Reasonable time for considering the offer and for planning a move must be given.

It is a true, but amazing, commentary that adequate leadtime in many States is not provided. It may be premised that it is this unwise rush to get jobs to contract that has caused serious disruption and hardship.

Legislation, if needed at all, should go to the heart of the matter. No interstate project and no State project should be pushed without adequate leadtime.

Thoughtful consideration of this entire matter will lead the skilled observer to question the need (and indeed the wisdom) of advocating any legislation which attempts to control by fiat so complex a matter. Proper leadtime will achieve most of the beneficial results desired; but leadtime varies according to each project, each neighborhood affected, each environment, etc. It is at this point that one sees the importance of addressing local and State administrative talent to the specific problem of determining optimum leadtime which will bring order, efficiency, and equity into each right-of-way acquisition program. Local government, State government, and National Government cannot hide the need for efficient administrative decision behind broad sweeping national legislation that is ill advised and ill conceived and will not go to the root of the matter. The citizens who are paying for these right-of-way acquisition programs deserve proper administrative decisions and adequate leadtime in every highway project throughout the Nation.

In conclusion, we recognize that the Department of Defense, functioning through the U.S. Army Corps of Engineers, should properly have the authorization they now have from the Congress to reimburse affected property owners and, in certain cases, tenants in possession, when properties are being acquired on an emergency basis, in connection with the function of national defense.

I also believe that the Army Engineers should have the same authorization in cases where they are concerned with emergency flood control projects to protect the lives and property of the citizens of our Nation. I am aware that, under these two sets of circumstances, there have been in the past and will be again in the future cases where these two vitally important governmental functions require the initiation of eminent domain proceedings and the necessity for the parties in possession to vacate the premises and remove all personal property on extremely short notice.

I also recognize the justification for similar relocation payments under the nationwide redevelopment program where privately owned property is taken by a governmental agency, under the threat of eminent domain, with the acquired property later being deeded back, in most cases, into private ownership for the obvious financial benefit of the acquiring, private owner.

I submit that the two types of cases above referred to and perhaps in a very limited number of other governmental operations, reimbursement for a relocation should be considered but, in conclusion, I submit for your consideration that a sound, well-coordinated program of procedure, allowing proper lead time for the right-of-way acquisition function will represent only a minimum of delay in the completion of the nationwide system of highways in the cost of which the Federal Government is participating and with competent, efficient, and honest right-of-way acquisition procedures by properly trained and experienced right-of-way personnel, the necessity for this type of legislation can be eliminated.

I further point out to you that it is unreasonable and unfair to penalize all of the State highway right-of-way departments and all of the taxpayers, because of the "sins of omission" on the part of a very limited number of governmental agencies.

QUALIFICATIONS OF FRANK C. BALFOUR

1920-30: Private real estate broker, specializing in real estate financing in southern California.

1930 (January 1, 1961, date of retirement): Employed as right-of-way agent by California Division of Highways.

1941-61: Chief right-of-way agent, California State Highway Right-of-Way Department.

1946-59: Chairman, Right-of-Way Committee, American Association of State Highway Officials.

1934: Founder, American Right-of-Way Association.

1946-57: National chairman, American Right-of-Way Association.

1957-61: National executive vice chairman, American Right-of-Way Association.

1961 to date: Full-time national executive vice chairman, American Right-of-Way Association.

Mr. JOHNSON. Might I make a brief reply to Mr. Scherer's statement?

Mr. FALLON. Certainly.

Mr. JOHNSON. I think we in California have treated many of the people pretty nearly the way you would want them treated in this particular piece of legislation, although it is not a matter of law. I had a pretty thorough discussion with Mr. Womack when he was here, and I have also talked many times with Mr. Balfour. He was our chief right-of-way acquisition agent or representative. When I was in the State senate we went into this very thoroughly. We advanced a \$50 million fund as a revolving fund for the acquisition of rights-of-way in advance of the highway projects.

I think in many, many instances our right-of-way people in their negotiations with the property owners, took care of the very thing we are talking about in this particular piece of legislation. There was a time when we did not do that, but lately we have been giving consideration to many of these people who are affected and displaced because of our highway program in California. This is the very treatment you ask for in this legislation.

By virtue of the fact that the legislature made available this \$50 million revolving fund for the acquisition of rights-of-way, it gave us ample lead time with reference to all of these projects. Advanced planning in California is about as good as you can have it at the present time, I think.

Mr. SCHERER. I think that is right.

Mr. JOHNSON. We are giving consideration to every person. I happened to be very close to this when I was mayor of a little city. We had a big freeway go right through the middle of town, and it took out half of the town when it went through there. I know in those negotiations back in 1947 and 1948, things were not so good. Our right-of-way people did not give them the consideration they are giving them now. Our people were very adversely affected by having to move and find new places to live, but from that time on, since the legislature provided the revolving fund for the acquisition of the right-of-way, they have given much fairer treatment to the people affected and displaced by the location of our highways.

Mr. SCHERER. Mr. Balfour in that statement discusses in detail just what you testified to, and points out that what has been done in California is now being done in many States, and could be done in all States, but he comes to the conclusion that the provision with reference to displaced persons in the Buckley bill should not be included in Federal legislation.

Mr. JOHNSON. That might be Mr. Balfour's statement now, but Mr. Balfour, when he was with our right-of-way division, through the school of hard knocks finally came around to giving the people the treatment that this bill calls for; it is not a written law in California, but they are doing it now.

Mr. SCHERER. Do you pay for moving costs in California?

Mr. JOHNSON. Well, almost.

Mr. SCHERER. I didn't gather you paid any moving costs from Balfour's statement.

Mr. JOHNSON. I couldn't say because the negotiators who negotiate with the individuals whose properties are affected, are giving very broad consideration to the overall effects on the people who are involved. This is not a written law in California.

Mr. BALDWIN. Mr. Chairman.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. Mr. Johnson, you do not dispute the fact, however, that the telegram from the Governor indicates only the Governor's views and does not indicate that Mr. Womack changed his views? Is that right?

Mr. JOHNSON. No; I don't want to speak for Mr. Womack. He is very able to speak on this subject himself. I merely read the Governor's statement, but the Governor, in sending this telegram, acknowledged the fact that Mr. Womack had been here on April 17 and testified with respect to these matters; but in the telegram it appears to me the Governor points out that Mr. Womack appeared here as president of the national association, the American Association of State Highway Officials, and presented the views of the legislation committee of that association, who had met and adopted certain policies.

Mr. FALLON. Thank you, Mr. Johnson.

We are honored now to have one of our former committee members and colleagues, Mr. Trimble.

I want you to feel just as much at home here now as when you were a member.

**STATEMENT OF HON. J. W. TRIMBLE, A MEMBER OF CONGRESS
FROM THE STATE OF ARKANSAS**

Mr. TRIMBLE. Yes, Mr. Chairman, I spent some very pleasant and happy years with this committee.

Mr. Chairman and members of the subcommittee, the Forest Service people in my area tell me one of the greatest needs for our national forests is for additional funds to maintain and improve roads.

Timber, recreation, and other developments are being accelerated in our forest program. Without good roads this work will not be as effective as it should be.

It is my hope you can recommend substantial increases in the authorizations for the forest highway system and for forest roads and trails.

Thank you.

Mr. FALLON. Thank you, Judge Trimble. We certainly will give full consideration to your wishes.

We will now hear from another colleague, Mr. Olsen.

**STATEMENT OF HON. ARNOLD OLSEN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF MONTANA**

Mr. OLSEN. Mr. Chairman, increased Government funds for construction of national forest access roads is not the only need of the forest industry and will not correct all of the problems of the forest products industry.

However, forest access roads constructed by public funds will accomplish important conclusions.

First, obtain for the Nation the kind of roads necessary to reach the objectives of multiple use of the national forests, such as (a) outdoor recreation, (b) range grazing, (c) timber production, (d) watershed development, and (e) wildlife and fishing activity. A timber purchaser can only be required to build the type of road which a "prudent operator" would find necessary to remove the timber for a particular sale. A timber purchaser should not be forced to build roads to serve the needs of other users. The road constructed by the timber purchaser is a good road for this purpose, but not sufficient for the new multiple user. In Montana we will probably need both kinds of roads.

Second, forest development roads would be built to higher standards for all users and economically if professional road contractors were to participate competitively in the program.

Third, the local governments (schools and counties) would receive more revenue if the roads were built by appropriated moneys rather than by the timber purchasers. The cost of the road built by timber purchasers is deducted from the price obtained for the timber, the stumpage; thus, the local government's share, which is 25 percent of the gross receipts, would be correspondingly reduced. Correspondence from county commissioners in my district advocate increased

appropriations for the construction of forest development and access roads for this reason.

Fourth, a recent engineering study by region 6 of the Forest Service discloses that maintenance and hauling costs for the timber operators themselves as well as reconstruction and maintenance cost of roads built by timber purchasers for the Government makes such roads most expensive. The study concludes there is poor economy in such timber-purchaser-constructed roads and bridges.

Fifth, the multiple-use road is absolutely demanded by the new users—the number of recreation visits in the national forests have veritably exploded and will certainly double from the 100 million at the present time to 200 million by the end of only 10 more years.

Sixth, the national economy will require a timber harvest of at least 13 billion board feet 2 years from now, compared with the 11.2 billion board feet of last year. Last month, I joined with other western Congressmen urging the President to increase his then recommendations of \$40 million for fiscal year 1963. He declined to increase them to the level that I then suggested. However, I understand that he will accept higher figures than those communicated to the Congress last September. As a compromise, I sincerely and vigorously recommend to the committee that you authorize an additional \$10 million, making a total of \$50 million for next year; \$70 million for the fiscal year ending June 30, 1964, and \$85 million for the fiscal year ending June 30, 1965. These additional amounts would reflect themselves in Montana by almost doubling the \$3.6 million of 1961 to \$6.1 million for the fiscal year ending 1965. This additional would be a great assistance to the timber purchasers because it would materially reduce their costs. And very rightly so, because the burden of constructing the roads into the forest should no longer be solely that of the timber purchaser. Timber purchasers pay all the kinds of taxes that are paid by other highway users and they are entitled to their share of the public investment. And, as I have said, the other users of the forest are entitled to better roads, too.

Thank you for your early consideration of H.R. 9725 and H.R. 11199 and that they be amended as I have recommended.

Mr. FALLON. Thank you, Congressman Olsen.

Our next witness this morning is representing the Consulting Engineers Council, Mr. C. C. Pate.

Mr. Pate, are you accompanied here by Mr. Kahl?

Mr. PATE. Yes, sir.

Mr. FALLON. Mr. Kahl, would you like to come up and accompany Mr. Pate?

STATEMENT OF C. C. PATE, CONSULTING ENGINEER, TULSA, OKLA.; ACCOMPANIED BY WILLIAM R. KAHL, BALTIMORE, MD., REPRESENTING THE CONSULTING ENGINEERS COUNCIL

Mr. PATE. Mr. Chairman and members of the subcommittee, I wish to express the appreciation of the entire membership of the Consulting Engineers Council for the opportunity of appearing before you today.

My name is Charles C. Pate, a consulting engineer of Tulsa, Okla., and I am speaking as a past president of the Consulting Engineers Council on behalf of the membership. The council is a national

organization consisting of 33 independent State and regional associations with a combined membership of approximately 1,550 consulting engineering firms serving their clients through the private practice of engineering.

The independent consulting engineering firms in the United States, the majority of which are members of the Consulting Engineers Council, firmly believe that the position of preeminence among nations held by the United States is primarily due to our past and continued adherence to the principle of private enterprise which includes the right of self-determination for each individual. Under this concept, there is a definite incentive for each individual to do his utmost to excel in the profession of his choice. The engineer in private practice has made that free choice of a profession not because of assurances of an exceptionally profitable career or continued security based on longevity of service, but he has chosen his particular profession in the firm belief that he has the knowledge to furnish a service to his clients that will be of extreme value to them. This concept of freedom of choice of a profession by the individual also carries with it a responsibility to perform the services required to the best of his ability at the lowest ultimate total cost to the client for the completion of the project and placing it in service. The members of the Consulting Engineers Council have reiterated that policy on several occasions and are bound by it when serving either individual clients or various governmental agencies on public works.

Our purpose in appearing before this subcommittee is to present the views of our members for inclusion of clarifying legislation to allow a more general use of the qualified engineers and engineering firms in private practice in this program to the benefit of Government. An indication of the benefits derived by using engineers in private practice was contained in Mr. B. D. Tallamy's letter to the General Accounting Office:

* * * work under the Federal-Aid Highway Act, of 1956, could not have gotten off the ground if consulting engineers had not been utilized in many States. We do not agree that the use of consulting engineers has increased costs.

* * * The use of consulting engineers for some of the work gives the States greater flexibility; enables them to secure experts for specialized problems particularly in urban areas; brings fresh, unbiased thinking into solving problems; creates incentive for better production of the States' forces by providing a yardstick of accomplishment; and enables work to be accomplished that would be impossible otherwise.

We do not believe that the present Federal Aid Highway Acts and the amendments thereto are unduly restrictive to the use of consulting engineering firms in private practice but as they are presently written they have been interpreted by the 1957 regulations for the administration of Federal aid for highways as issued by the Bureau of Public Roads, Department of Commerce, and implemented at the local level by Bureau of Public Roads' officials in a more restrictive manner. Under the definition, as contained in title 23, United States Code, the State highway department is described in section 302, as follows:

SEC. 302. State Highway Department: (a) Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped and organized to discharge to the satisfaction of the Secretary the duties required by this title.

This definition is further enlarged under "Part II: Regulations," paragraph 1.11, engineering services, subparagraph (d).

Private engineering organizations may be utilized on projects in accordance with requirements prescribed by the Administrator.

The 1957 regulations for the administration of Federal aid for highways as issued by Bureau of Public Roads, Department of Commerce, for the guidance of the regional and State representatives, state the following:

(3) The services of consulting engineers and private engineering organizations may be utilized on a contract basis for design, preparation of plans, specifications, and estimates, and in special cases for construction engineering other than general supervision, only under one or more of the following circumstances: (i) The work is of unusual character requiring highly specialized knowledge and experience; (ii) it would not be possible to enlarge the staff of personnel available to the State so as to perform the engineering services on the project within a reasonable time; or (iii) the State has a program substantially larger than normal or expected in future years and it desires to employ consulting engineers rather than build up its organization for a comparatively short period.

In other words, where they do not have personnel that can properly perform the services.

These regulations have frequently been interpreted by Administrators of the Bureau of Public Roads and of some State highway departments to mean that the State highway department shall, in all instances, maintain a sufficiently large organization to perform the preliminary planning, administration, and supervisory construction of highways, and in addition be sufficiently staffed to perform all of the intricate design, location surveys, and construction inspection required to insure complete compliance with the established and acceptable standards. Compliance with this request from the Bureau of Public Roads to meet peak demands results in an overstaffing of State highway departments. This often results in the employment of personnel who have been inadequately trained for the services required and reduces the overall efficiency. We believe that a more liberal use of consulting engineers working under the general supervision of the State highway department will provide these services when needed in a much more efficient method than a policy of overstaffing and expanding present State highway departments beyond a reasonable limit.

The question has often been raised, Is this not more expensive? No, it is not, because you use them only when you need them, and then they are off the payroll. When a State staffs up beyond their normal needs, that staffing usually is retained through the period of slack work, and it is a continuing cost.

Any rapid expansion of an organization either private or governmental invites and often results in both inefficiency and waste of professional talent. In this age of explosive expansion of technology, it is incumbent upon all of us to utilize the professional engineers to the best interest of the general public. This theory has been expressed in a position paper written for, and approved by, the following national engineering organizations on August 14, 1961:

American Institute of Consulting Engineers.

American Road Builders Association.

American Society of Civil Engineers.

Consulting Engineers Council.

National Society of Professional Engineers.

The text of this position paper is attached as an appendix to this presentation and the following excerpts therefrom indicate the beliefs of the engineers in private practice on the most efficient method of providing these services on Government projects:

(4) Engineering for Government at all levels is best accomplished by the effective use of the professional skills and experiences of engineers both in private practice and in Government service.

(5) Staffing of public agencies for engineering purposes beyond reasonable levels necessary to insure continuity, effective planning, administration, and control of public works projects is unwarranted.

(6) In the national interest, a healthy reservoir of engineering talent in all its branches must always be maintained so that in emergencies sufficient manpower can be immediately organized to design and oversee construction of vitally essential military facilities and public works. Recent wars have demonstrated the inestimable value of the rapid availability of thousands of competent engineers in private practice.

Engineers in private practice and those in public service have similar abilities, ingenuity, and the desire to further the highway program of our country, and the Congress has been so advised of the capabilities of both. We, therefore, suggest the elimination of the need for further interpretation of the intent of Congress, that private enterprise, upon which our country was founded, be recognized in the engineering of the highway program. This can be accomplished by revising chapter 3, of title 23, United States Code, section 302(a) to read as follows:

(a) Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped *with direct staff and retained consulting engineering services* and so organized to discharge to the satisfaction of the Secretary the duties required by this title. Among other things, the organization shall include a secondary road unit.

We have added the italicized words. The only thing we have added there is a reference to the direct staff and retained consulting engineering services, which, in other words, would be classed as the organization of the State highway department which would allow them in emergencies to use available engineers in private practice to supplement their own groups, and still come under the requirement that they be organized to perform the services.

We appreciate this opportunity to appear before you this morning and leave this report with you.

Mr. FALLON. If there is no objection, the entire statement of Mr. Pate will be made a part of the record at this point.

(The prepared statement of Mr. Pate is as follows:)

STATEMENT OF CONSULTING ENGINEERS COUNCIL

RECOMMENDATION FOR LEGISLATIVE REVISION—SUPPORTING STATEMENT ATTACHED

Engineers in private practice and those in public service have similar abilities, ingenuity, and the desire to further the highway program of our country, and the Congress has been so advised of the capabilities of both. We, therefore, suggest the elimination of the need for further interpretation of the intent of Congress that private enterprise, upon which our country was founded, be recognized in the engineering of the highway program. This can be accomplished by revising chapter 3 of title 23, United States Code, section 302(a) to read as follows:

"(a) Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped *with direct staff and retained consulting engineering services* and so organ-

ized to discharge to the satisfaction of the Secretary the duties required by this title. Among other things, the organization shall include a secondary road unit." [Emphasis supplied.]

Mr. Chairman and members of the subcommittee, I wish to express the appreciation of the entire membership of the Consulting Engineers Council for the opportunity of appearing before you today.

My name is Charles C. Pate, a consulting engineer of Tulsa, Okla., and I am speaking as a past president of the Consulting Engineers Council on behalf of the membership. The council is a national organization consisting of 33 independent State and regional associations with a combined membership of approximately 1,550 consulting engineering firms serving their clients through the private practice of engineering.

The independent consulting engineering firms in the United States, the majority of which are members of the Consulting Engineers Council, firmly believe that the position of preeminence among nations held by the United States is primarily due to our past and continued adherence to the principle of private enterprise which includes the right of self-determination for each individual. Under this concept, there is a definite incentive for each individual to do his utmost to excel in the profession of his choice. The engineer in private practice has made that free choice of a profession not because of assurances of an exceptionally profitable career or continued security based on longevity of service, but he has chosen his particular profession in the firm belief that he has the knowledge to furnish a service to his clients that will be of extreme value to them. This concept of freedom of choice of a profession by the individual also carries with it a responsibility to perform the services required to the best of his ability at the lowest ultimate total cost to the client for the completion of the project and placing it in service. The members of the Consulting Engineers Council have reiterated that policy on several occasions and are bound by it when serving either individual clients or various governmental agencies on public works.

Our purpose in appearing before this subcommittee is to present the views of our members for inclusion of clarifying legislation to allow a more general use of the qualified engineers and engineering firms in private practice in this program to the benefit of government. An indication of the benefits derived by using engineers in private practice was contained in Mr. B. D. Tallamy's letter to the General Accounting Office:

"* * * work under the Federal-Aid Highway Act of 1956 could not have gotten off the ground if consulting engineers had not been utilized in many States. We do not agree that the use of consulting engineers has increased costs.

"* * * The use of consulting engineers for some of the work gives the States greater flexibility; enables them to secure experts for specialized problems particularly in urban areas; brings fresh, unbiased thinking into solving problems; creates incentive for better production of the States' forces by providing a yardstick of accomplishment; and enables work to be accomplished that would be impossible otherwise."

We do not believe that the present Federal-Aid Highway Acts and the amendments thereto are unduly restrictive to the use of consulting engineering firms in private practice but as they are presently written they have been interpreted by the 1957 Regulations of the Administration of Federal Aid for Highways as issued by the Bureau of Public Roads, Department of Commerce, and implemented at the local level by Bureau of Public Roads officials in a more restrictive manner. Under the definition, as contained in title 23, United States Code, the State highway department is described in section 302 as follows:

"Section 302. STATE HIGHWAY DEPARTMENT.—(a) Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped and organized to discharge to the satisfaction of the Secretary the duties required by this title."

This definition is further enlarged under "Part II—Regulations," paragraph 1.11, "Engineering Services," subparagraph (d):

"Private engineering organizations may be utilized on projects in accordance with requirements prescribed by the Administrator."

The 1957 Regulations for the Administration of Federal Aid for Highways as issued by Bureau of Public Roads, Department of Commerce, for the guidance of the regional and State representatives, state the following:

"(3) The services of consulting engineers and private engineering organizations may be utilized on a contract basis for design, preparation of plans, specifications, and estimates, and in special cases for construction engineering other than general supervision, only under one or more of the following circumstances: (i) The work is of unusual character requiring highly specialized knowledge and experience;

(ii) it would not be possible to enlarge the staff of personnel available to the State so as to perform the engineering services on the project within a reasonable time; or (iii) the State has a program substantially larger than normal or expected in future years and it desires to employ consulting engineers rather than build up its organization for a comparatively short period."

These regulations have frequently been interpreted by Administrators of the Bureau of Public Roads and of some State highway departments to mean that the State highway department shall, in all instances, maintain a sufficiently large organization to perform the preliminary planning, administration, and supervisory construction of highways, and in addition be sufficiently staffed to perform all of the intricate design, location surveys, and construction inspection required to insure complete compliance with the established and acceptable standards. Compliance with this request from the Bureau of Public Roads to meet peak demands results in an overstaffing of State highway departments. This often results in the employment of personnel who have been inadequately trained for the services required and reduces the overall efficiency. We believe that a more liberal use of consulting engineers working under the general supervision of the State highway department will provide these services when needed in a much more efficient method than a policy of overstaffing and expanding present State highway departments beyond a reasonable limit.

Any rapid expansion of an organization either private or governmental invites and often results in both inefficiency and waste of professional talent. In this age of explosive expansion of technology, it is incumbent upon all of us to utilize the professional engineers to the best interest of the general public. This theory has been expressed in a Position Paper written for, and approved by, the following national engineering organizations on August 14, 1961: American Institute of Consulting Engineers, American Road Builders Association, American Society of Civil Engineers, Consulting Engineers Council, National Society of Professional Engineers.

The text of this Position Paper is attached as an appendix to this presentation and the following excerpts therefrom indicate the beliefs of the engineers in private practice on the most efficient method of providing these services on Government projects:

"(4) Engineering for government at all levels is best accomplished by the effective use of the professional skills and experiences of engineers both in private practice and in government service.

"(5) Staffing of public agencies for engineering purposes beyond reasonable levels necessary to insure continuity, effective planning, administration, and control of public works projects is unwarranted.

"(6) In the national interest, a healthy reservoir of engineering talent in all its branches must always be maintained so that in emergencies sufficient manpower can be immediately organized to design and oversee construction of vitally essential military facilities and public works. Recent wars have demonstrated the inestimable value of the rapid availability of thousands of competent engineers in private practice."

Engineers in private practice and those in public service have similar abilities, ingenuity, and the desire to further the highway program of our country, and the Congress has been so advised of the capabilities of both. We, therefore, suggest the elimination of the need for further interpretation of the intent of Congress, that private enterprise, upon which our country was founded, be recognized in the engineering of the highway program. This can be accomplished by revising chapter 3, of title 23, United States Code, section 302(a) to read as follows:

"(a) Any State desiring to avail itself of the provisions of this title shall have a State highway department which shall have adequate powers, and be suitably equipped *with direct staff and retained consulting engineering services* and so organized to discharge to the satisfaction of the Secretary the duties required by this title. Among other things, the organization shall include a secondary road unit." [Emphasis supplied.]

POSITION PAPER ON ENGINEERING FOR GOVERNMENT

(Adopted Aug. 14, 1961, by Coordinating Committee on Relations of Engineers in private practice with Government)

Introductory

The coordinating committee is a joint committee originally created by five professional engineering organizations of national scope. The purpose of the committee is to coordinate efforts of the represented organizations in developing

unassailable facts and sound policies for use of engineers and architects in practice on public works financed by local, State, or National Government.

The committee was formally organized October 24, 1960. It is comprised of the following officially appointed representatives:

American Institute of Consulting Engineers: James P. Exum, New York; R. H. Tatlow, III, New York.
 American Road Builders Association, Engineering Division: Maurice N. Quade, New York; George B. Hills, Jacksonville.
 American Society of Civil Engineers: Mason G. Lockwood, Houston; Gustav J. Requardt, Baltimore.
 Consulting Engineers Council: Hueston M. Smith, St. Louis; John G. Reutter, Camden.
 National Society of Professional Engineers: L. M. VanDoren, Topeka; Stanley A. Michael, Omaha.
 V. Weaver Smith, New York, was appointed as an observer by engineers joint council.

At its first meeting, the committee directed a subcommittee to draft a position statement on engineering for government. A revised draft of the subcommittee statement was subsequently adopted unanimously by the coordinating committee.

Position Paper

Engineers in the employ of Government, educational or other nonprofit institutions constitute a vital segment of the engineering manpower resources of the Nation. The balance of the engineering resources of the country is comprised of the equally vital pool of engineering employees and principals of private enterprise concerns. The latter group includes the human and other resources of firms in the private practice of engineering—traditionally, but now somewhat less aptly, called consulting engineers.

Under the American concept, the engineering needs of Government historically have been obtained through combined utilization of publicly employed engineering staffs and engineers in private enterprise, the services of the latter being procured through appropriate contracting procedures between Government and professionally qualified private concerns. There have been imperfections in the application of this well-established dual source of engineering for Government; there are no imperfections in the theory. It has been the sheer lack of information or of simple understanding, rather than the imperfections of application that has somewhat disturbed the wholesome relationship between public and private engineers and their respective adherents. Recurrent criticism and discussion of engineering costs and practices on publicly financed undertakings of local, State, and Federal Governments have clouded rather than clarified the basic issue on how the engineering needs of Government can best be satisfied. Sharp differences based on unwarranted conclusions are inimical to both the public and professional interest.

The engineering needs of all levels of government have increased phenomenally during the past two decades. The outlook is for continued increase. These need must be met by the effective use of the total available reservoir of engineering manpower consisting of engineers in Government and engineers in private enterprise.

Based on the foregoing and other relevant considerations, the coordinating committee therefore resolves that:

- (1) Private enterprise is the basic, traditional foundation of the American way of life and must be preserved and encouraged.
- (2) Government should govern, not compete with its citizens.
- (3) The following stated general policy of the Federal Government is a sound policy for government at any level: " * * * the Federal Government will not start or carry on any commercial-industrial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels."
- (4) Engineering for government at all levels is best accomplished by the effective use of the professional skills and experiences of engineers both in private practice and in government service.
- (5) Staffing of public agencies for engineering purposes beyond reasonable levels necessary to insure continuity, effective planning, administration, and control of public works projects is unwarranted.
- (6) In the national interest, a healthy reservoir of engineering talent in all its branches must always be maintained so that in emergencies sufficient engineering

manpower can be immediately organized to design and oversee construction of vitally essential military facilities and public works. Recent wars have demonstrated the inestimable value of the rapid availability of thousands of competent engineers in private practice.

(7) The expanding economy and technology of the Nation are dependent upon expansion of the many elements of private enterprise. Government policies should provide a healthy atmosphere for development, expansion, and maintenance of private enterprise in engineering, in construction, and in industry.

(8) Governmental agencies should contract for engineering services with highly qualified engineers in private practice, consistent with the public interest, national security, and continuity of governmental programs and the requirements for quality, safety, overall economy, and time-benefit relationships.

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

Are there any questions?

Mr. BALDWIN. Mr. Chairman, I have one question.

Mr. FALLON. Mr. Baldwin.

Mr. BALDWIN. Mr. Pate, if I understand your recommended wording, you would then make it compulsory for the State highway department to retain consulting engineer services because the way I read this paragraph with your revision there is a word "shall" earlier in the paragraph, and therefore it would read, "shall be suitably equipped with direct staff and retained consulting engineering services," and so forth. I do not think we should force the States to retain consulting engineers. I think they should have the option to do it, but certainly we should not tell them they must function in that way. It seems to me if we were to consider this amendment at all that the word "and" in your recommended language should be changed to "or" so it would then read in effect, "and be suitably equipped with direct staff or consulting engineering services. * * *."

Mr. PATE. Your comments are what we intended. We are not expecting and do not ask and do not believe it would be proper for us to instruct the States to retain consultants, but give them the permission to. The change from "and" to "or" would be more satisfactory for us.

Mr. BALDWIN. Thank you.

Mr. FALLON. Thank you very much, Mr. Pate. Mr. Scherer.

Mr. SCHERER. I am well aware of the excellent job that the private consulting engineers have done so far in connection with the new highway program. I feel in all proper cases they certainly should be utilized by the State highway department for the reasons set forth in the statement by the witness.

Mr. PATE. We appreciate those remarks.

Mr. FALLON. Mr. Pate, I think during the hearings held 3 or 4 years ago this very thing was discussed. It was the feeling, I think of everyone at the time, that the State highway departments should not build an engineering department that would take care of peakloads, and then when there was a falling off in that type of work that they would be carried to the next peakload. I think that was discussed at length by the Bureau of Public Roads, and also by some members of this committee. It seems that they all agreed on that particular matter, so I certainly do agree with you that there should not be a buildup just to take care of peakloads in the State highway departments. They should have some sort of a regular staff to take care of the ordinary things that the State highway department does, but when they come to the unusual problems it seems to me it would be cheaper for the State, and probably they would get a better job

done, if outside consultants were brought in. That was my feeling then and it is still my feeling.

Mr. PATE. Thank you, sir.

Mr. SCHERER. I think it was the intent of Congress at the time that the procedure be followed, as suggested by the Chairman and also by the witness. If the language of the present statute is not clear, perhaps we should do something to clarify it, because I think that is the intent of Congress and was the intent of Congress that private consulting engineers services be utilized in the highway construction program.

Mr. FALLON. At that time it was.

Mr. PATE. Apparently the interpretations as put on it by personnel in the Bureau of Public Roads indicate that the States should build up their organizations beyond those limits we are talking about. We do not believe that consultants can at any time replace the staffing required by State highway departments. We do believe we can do it better and cheaper on the peak loads and help to smooth the thing over, and also be able to expedite the program.

Mr. SCHERER. And your services can be used in instances where they have highly complex engineering problems.

Mr. PATE. That is right.

Mr. FALLON. May I again thank you, Mr. Pate.

Mr. Kahl, did you wish to say something?

Mr. KAHL. I wish to thank the committee similarly for permitting me to appear before you.

Mr. FALLON. Mr. Kahl, we are always glad to have a distinguished engineer with us.

Mr. KAHL. Thank you very much, and thank you, Mr. Chairman.

Mr. PATE. Thank you, gentlemen.

Mr. FALLON. I see one of our colleagues came into the room. He was scheduled to appear earlier this morning. We are honored by the visit this morning of the distinguished chairman of the Interstate and Foreign Commerce Committee, Mr. Oren Harris.

STATEMENT OF HON. OREN HARRIS, A MEMBER OF CONGRESS FROM THE STATE OF ARKANSAS

Mr. HARRIS. Thank you, Mr. Chairman and this most distinguished committee.

Let me first thank you for your courtesies. Somehow or other in my busy schedule I did not find out about the hearing this morning, or that I had the privilege of coming before you, and when your fine little lady called my office a few minutes ago I had to hurry up and clear my office out and get another committee going, because I did so much want to come to this committee in connection with this problem which you have before you.

Mr. FALLON. Mr. Chairman, won't you be seated?

Mr. HARRIS. Thank you.

I spoke to the chairman a few days ago expressing my interest in the program for the authorization of roads for our national forests. We are in the southern region, as you know. My own district contains the Ouachita National Forest, and, therefore, we have a great deal at stake in connection with the development of forest roads. We have two national forests in our State, the Ozark National Forest and

the Ouachita National Forest. Both of them are highly important to our State and to the Nation. Both of them are rather sizable operations, and we are very proud of them. Our people are very proud of these national forests, and are very anxious to cooperate, and they do cooperate in their maintenance and development.

We have been having problems with reference to roads over a period of time.

You gentlemen, Mr. Chairman, are much more familiar with the details of the program and the authorization than I. All I know about it is that we need some development down in our State, and the authorization has been so limited in the past that it makes a very small dent. We have been trying to get along with the present authorization program, working with and through our highway department in connection with the national forests. You have a bill before you here that would extend the present authorization, and I believe another proposal that would modify the present authorization, and over a period of time increase the authorization on a graduated basis.

Mr. Chairman, I feel this way: That by continuing with the limited authority we have under the law, we will never make any progress. It is quite obvious if we continue with the present authorization of this program of \$40 million a year that we just are barely going to keep up as we go along, and in no reasonable period of time can we expect the kind of roads that are needed and necessary in these programs.

I have obtained information through our local office in Hot Springs, Ark., which is a branch office, a district office, I believe it is called, and from talking to the people in the Atlanta office in the southern region, and the people in the Washington office. As a matter of fact, I arranged for Dr. McArdle to come to Arkansas last December. He spent 2 days down there with us in connection with the national forests. We had the privilege of visiting, or he did, their operations, and went clear through from Hot Springs at Ouachita National Forest to Mena, and over into Oklahoma. The Ouachita National Forest jurisdiction stretches from about Hot Springs, Ark., which is pretty much in the central part of the State, westward and on over into Oklahoma. It operates in both States.

I am convinced that if we are not able to do something about making available additional funds for this program, that the Federal Government is going to be deprived of this fully developed resource. The forestry people will tell you, yes, they can get by with what they have in order to get the timber out; and it is true they can, but they get by in spotty operations. I know that to be a fact because they can take one area where you have fairly good roads to accommodate them all, and they are going to center most of their operations in those areas. But you can take other areas where they do not, and not only are they deprived from adequately maintaining that forest, but the Treasury is deprived from reaping the benefits of it on a broad sustained basis. Instead they will center in this area, or in this area, wherever they can more conveniently and adequately get to it.

In my judgment there should be a program throughout the country that would give us adequate roads within a reasonable time.

As an example, if it were to be approached on the basis at this time of the total needs, I am advised that the total needs of the national

forests would be about 500,000 miles, which would cost over \$6 billion. In the southern region alone they have 62,000 miles of needed construction which would require an estimated \$1,150 million. In Arkansas alone in the forests we have estimated the need at 14,892 miles that would ultimately cost \$275 million.

I believe if we continue on the basis of only \$40 million yearly, it will be woefully inadequate to accomplish this needed purpose.

There is legislation pending which would, I believe, provide \$67½ million for 1963, \$90 million for 1964, and \$120 million for 1965. There are other proposals which would increase the authorization with, I think, \$50 million in 1963 and on up to a total of \$142 million in 1975.

Under the forest highway fund appropriation there are \$33 million. There is a bill proposed which would increase this amount to \$40 million in 1963, \$50 million each in 1964 and 1965, and so on.

Now, of course, we have the public lands highway fund, which would increase the authorization of that program, which I believe amounts to \$3 million and runs out this year, if I am not mistaken. That authorization would be increased to \$7 million.

So I do feel that if these various programs could be extended to whatever extent this committee in its judgment would determine, in order to enhance and improve and increase the program, it certainly would be in my judgment a wise action.

Particularly do I want to call attention to the need for such a road across Rich Mountain in Arkansas and Oklahoma. That goes right through the heart of the national forest. One of the things we have been stressing in this country is recreation and the value of recreation is something that has not been fully recognized over a period of time in connection with many of these projects. Rich Mountain is a mountain that is out of Mena, Ark. There is on top of this mountain a redevelopment program of the old Wilhelmina Hotel. Queen Wilhelmina was involved with financing it. I think they owned a majority of stock in the Kansas City & Southern Railroad at one time, which runs from Kansas City south and does go to New Orleans. She herself never did occupy the very fine building that is the hotel on top of this mountain, but it was completed and established at that time, and when she was on her way here she became ill in New York and was never able to go ahead. Well, as time went on they got rid of their stock in this fine railroad and the Deraniuses have been operating it now for several years, and the Couches prior to that time.

There is in our State a program for a State park right immediately on top of the mountain, and through State funds of our parks conservation program in the State they made it available for the restoration of this place. It is one of the outstanding scenic roads and places in the country. Senator Kerr and his people in Oklahoma and our people in Arkansas have been striving to get this developed. What is needed very badly is a forest road to be put across the top of that mountain, beginning at the foot of the mountain in Arkansas and going straight on across over into Oklahoma. They are very greatly concerned about it, and the highway department is very anxious to cooperate. However, it is a program which practically entirely, with the exception of this very short distance through the State park there, runs through the national forest itself. The national forest people would very much like to develop it, and we have a report which has

just been made by the Forest Service through the southern region as to the cost of this project.

I know in the program that you have here you cannot pick out any single road or trail and separate that from some other. You have to give a total authorization. However, they are striving for some way to develop this project, and we feel that with the increased needs of the national forest being met by this committee, should the authorization for the national park roads as contained in some of these bills be approved, and should the other two programs including the forest land development roads, which Senator Kerr started, as the committee knows very well, be extended, whereby this particular type of program could be utilized—as it was in Highway 59 in Oklahoma that crosses it going north and south—if some funds could be made available through that source, then the State highway department advises that if they could then contribute to it through the regular Bureau of Public Roads operation on a matching basis, that a combination of these circumstances could permit this development.

So I would urge the committee in their consideration of this program to keep in mind such instances as this which mean so much to our country and to our people. These things would be effectuated if these funds should be approved.

I have a map here, and with the permission of the chairman I would like to leave this with the committee for your files, just in case it might be of some benefit to the program. They have tentatively sketched out what the total cost would be and outlined what it would do. It would go right through the heart of this entire Ouachita National Forest and would be a road across the top of the mountain which would give a direct ingress for the forestry people to get in there with their whole development in order to get the full benefit and utilization of it, as well as making a contribution to the scenic phase of it and the recreational phase of it which would serve that particular area.

We are not asking for area redevelopment and we are not asking for the special funds that the Congress set up, so I think this particular place in eastern Oklahoma and western Arkansas could certainly qualify under those programs, but we are asking for something here that would be of benefit on a permanent basis, and be of lasting benefit to the people of this country.

Therefore I would urge this committee in its consideration of the problem to keep such matters as this in mind. Anything that can be done to assist our people in Arkansas and Senator Kerr and his people over in Oklahoma in connection with this, we would be very grateful for indeed.

Mr. FALLON. We thank you very much, Mr. Harris.

Are there any questions?

Thank you again.

Mr. HARRIS. Thank you for your courtesy in permitting me to appear before you.

If I may leave this document with you, I think it may be helpful. I know the other information I have discussed you have from the Forest Service, too.

Mr. SCHERER. May I ask one question, Mr. Chairman?

Mr. HARRIS. Yes.

Mr. SCHERER. Will this road have any other uses other than for scenic and recreational purposes?

Mr. HARRIS. And the forest operation itself. Naturally, the primary purpose for this committee in authorizing this would be to develop the national forest area. Presently on the Arkansas side there is a road that can be fairly well utilized through there, but when you get over to the western part of it on the Oklahoma side they do not have any roads through there of any consequence at all, even from the standpoint of the forest operation itself.

Mr. SCHERER. I was wondering whether the road might serve another purpose, namely, for ordinary transportation.

Mr. HARRIS. We have Highway 271, which is U.S. Route No. 271, which would be in the vicinity of the area, and then on the other side of the mountain below that we have State Highway No. 8, I believe it is, which could serve the purpose which the gentleman I think has in mind. We do have those routes available there, but when we were down there at the end of this past year, Dr. McArde, Senator Kerr's representatives and myself, and the Governor and several others, they told us how many thousands of people, with the very inadequate roads they have now, visited that place last year. With just a little improvement it could be made one of the finest places for tourists and recreation in this country. People come from all over the country now to visit this spot.

Thank you very much, Mr. Chairman. I appreciate this privilege of being with you.

Mr. FALLON. Thank you, Mr. Harris.

Mr. Robert M. Koch will be our next witness.

On behalf of the committee, Mr. Koch, I would like to welcome you here this morning. Would you give the reporter your full name, please?

STATEMENT OF ROBERT M. KOCH, PRESIDENT, NATIONAL LIMESTONE INSTITUTE, INC.

Mr. KOCH. Mr. Chairman and members of the committee, once again I am highly appreciative of having the opportunity to present the views of the members of the National Limestone Institute, Inc., to this committee, which has been so instrumental in formulating much of our forward-looking highway legislation.

The limestone industry plays a large part in our expanded highway program since it extracts approximately 450 million tons of material annually—nearly 60 percent of which is used as roadstone and concrete aggregate. The latest Bureau of Mines' figures indicate our Nation's roadbuilders are able to purchase their limestone aggregate at an average f.o.b. plant price of \$1.30 per ton—a real bargain for such an essential roadbuilding material.

The National Limestone Institute wishes to go on record as unequivocally supporting H.R. 9725, which you introduced, Mr. Chairman, inasmuch as it would reestablish the original congressional intent of increasing authorizations on our key A-B-C highway systems \$25 million annually until a minimum of \$1 billion is reached and which was interrupted by the 1960 act. Our position here is not new nor is it without justification.

You will recall that in 1958 I testified before this committee that money authorized for the A-B-C systems, even with yearly \$25 million increments, in our opinion was not sufficient to do the construction

necessary to make these systems adequate. This was based on the 1954 Clay committee report which indicated \$45 million was needed to bring A-B-C highways up to 1954 standards.

In 1959 I again presented testimony to both this committee and the Ways and Means Committee that not only was our industry past the planning stage and geared to supply the limestone aggregate necessary for the expanded program but also that we would support any financing legislation needed to keep the congressional intent and the program on schedule and suggested possible financing methods.

In 1960, when representing our members with further testimony, I expressed their keen disappointment in the administration's proposed cutback and freeze of A-B-C funds and urged that the intent of increasing the annual A-B-C authorization be maintained.

Last year we supported the proposed financing legislation and also reiterated our previous testimony—that the original proposal to maintain the A-B-C system on a \$25 million annual increment until it reaches a minimum of \$1 billion annually is something which should not be set aside when congressional committees and administration planners are considering the total highway program.

The President's April 4 message on transportation said:

During the last session of Congress, action was taken to place our Federal-aid highway program on a sounder fiscal basis.

You have heard that the highway trust fund survived the winter, when receipts to the trust fund are always down, with a surplus of over \$200 million. We are told by the Bureau of Public Roads that the current balance, as of March 31, was \$379,529,249.24.

It has been pointed up many times that our A-B-C systems handle the majority of our Nation's highway traffic. It has been brought to your attention that many businesses in the roadbuilding family cannot get work on the Interstate System because of the size of the contracts and A-B-C work is their only work. It is well known by this committee that A-B-C contracts generate a larger dollar volume than does the Interstate System since the States match the Federal A-B-C appropriations dollar for dollar but only match interstate appropriations on a 90 percent Federal—10 percent State basis. In other words, for each Federal dollar on A-B-C highways there is \$2 of work but for each Federal dollar on the Interstate System there is only \$1.11 of work. Why then should we not adhere to the original policy of this committee, expressed in passing both the 1956 and 1958 Federal-aid Highway Acts?

I would also like to comment briefly on certain sections of H.R. 11199, introduced by Congressman Buckley at the request of the administration.

We are in sympathy with section 3 concerning the payment of administrative and relocation costs of displaced families and businesses but must oppose enactment at this time for three reasons. First, because of the assurance voiced by Congressman Clifford Davis that his Select Subcommittee on Real Property Acquisition would have a thorough, bipartisan report on this broad topic, including a formula for proper acquisition of property and a discussion of tenant relocation in the not too distant future. Second, because the earlier testimony presented by the American Association of State Highway Officials stated this is not a problem in practically all the States and such a law might well delay construction in many areas. And third,

because the Bureau of Public Roads testimony was not definite on the exact charge to the highway trust fund.

We have no comments relative to sections 4 and 5 concerning public land development roads and trails.

On the surface, we see one questionable feature in amending the Federal-aid highway law according to section 6 to permit "extensive" use of secondary funds in urban areas. As you are well aware, the secondary system is farm-to-market roads, rural mail routes, school bus routes, etc. Funds are apportioned to the States based partially on their secondary mileage. The majority of our Nation's materialmen have their quarry sites in rural areas and their livelihood depends principally upon work on the secondary Federal-aid highway system. If the law is amended and if, as a result, secondary funds are switched "extensively" into urban areas, many of our secondary roads will fall further and further behind in being modernized for their share of the traffic load. We urge this committee to take a long, hard look at section 6 to ascertain what its economic effects will be before enacting this legislation.

Again, we have no position with respect to sections 7 and 8.

Before concluding this testimony, I would like to bring two other points to the attention of this committee. I recall you were impressed earlier in these hearings by the statement of General Prentiss, executive vice president of the American Road Builders' Association, asking for legislative steps to stop the diversion of funds from the highway trust fund resulting from State and local taxation of sales and use taxes applied to highway materials and highway equipment, gross receipts of contractors, and construction contracts. As a member of ARBA and as the largest organization of aggregate suppliers, we strongly endorse this position.

I would like to point up another possible diversion of trust fund revenues which is pending in this session of Congress. H.R. 11172, introduced by Congressman Aspinall, would amend section 209(f) of the Federal-Aid Highway Act of 1956 so that 50 percent of the taxes received from special motor fuels would be transferred to a land conservation fund. We believe that this diversion of trust fund revenues should not be approved.

In closing I want to reiterate, Mr. Chairman, our membership feels very strongly that the minimum we as a nation should be doing to improve our A-B-C systems is to have the principle of your bill adopted by the Congress.

Thank you, Mr. Chairman, for the privilege of appearing today before your committee.

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

Next we have Mr. Stanley B. Frosh, county councilman, Montgomery County, Md.

**STATEMENT OF STANLEY B. FROSH, COUNTY COUNCILMAN,
MONTGOMERY COUNTY, MD.**

Mr. FROSH. Mr. Chairman and members of the committee: I appreciate the opportunity of appearing before you today and presenting the views of the National Association of County Officials. I am Stanley B. Frosh, a member of the County Council of Montgomery County, Md.

The National Association of County Officials represents elected and appointed policymaking officials in 48 States. We have affiliated with us, State associations of county officials in 44 States. As a group we have strongly supported a balanced national highway program and in previous testimony before this committee have supported increases in appropriation of forest roads and trails. We have also testified in favor of the President's proposed mass transit legislation before other committees of Congress.

SUMMARY

We appear today in support of action by the Congress which would increase Federal appropriations for Federal-aid primary, secondary, and urban extension systems (A-B-C roads) at the rate of \$25 million each year until they reach a level of \$1 billion annually as originally intended by Congress. We also favor Federal financial participation in the costs of relocating tenants and businesses displaced by road construction. Our association has strongly supported road construction in urban areas and we would favor removing the present limitations on the use of Federal-aid secondary funds for financing extensions of the secondary roads into urban areas. NACO also favors long-range comprehensive highway planning and would support the provision that Federal funds be restricted to those communities which have adequate comprehensive plans. We are hopeful that the joint planning program now underway by the State highway departments, the cities, and the counties will be so successful that by the January 1, 1965, effective date of this legislation that it will not be necessary to make the provision operative.

INCREASES ON ABC ROADS

NACO favors increasing A-B-C road appropriations at the rate of \$25 million each year as recommended in Congressman Fallon's bill (H.R. 9725) rather than each 2 years as recommended in Congressman Buckley's bill (H.R. 11199). As previously noted by the Bureau of Public Roads, the plan advanced by Congressman Fallon of annual increases would add \$75 million of additional appropriations to A-B-C roads over the entire life of the highway trust fund. Actually, this will delay completion of the 17-year interstate construction schedule less than 2 weeks.

The development of the Interstate System in placing additional strain on A-B-C funds to provide connectors to the Interstate and in general, to provide additional capacity to other roads effected by Interstate traffic.

A \$25 million A-B-C increase allows \$7.4 million for secondary roads. These roads are generally built by the counties. A State-by-State breakdown of appropriations under the increase we recommend would be as follows:

Approximate increase in apportionment of Federal-aid secondary funds resulting from \$25 million total increase in annual A-B-C authorization

<i>State</i>	<i>Increase</i>	<i>State</i>	<i>Increase</i>
Alabama.....	\$164,000	Nevada.....	\$85,000
Alaska.....	401,000	New Hampshire.....	37,000
Arizona.....	108,000	New Jersey.....	54,000
Arkansas.....	127,000	New Mexico.....	117,000
California.....	267,000	New York.....	221,000
Colorado.....	121,000	North Carolina.....	235,000
Connecticut.....	43,000	North Dakota.....	105,000
Delaware.....	37,000	Ohio.....	240,000
Florida.....	128,000	Oklahoma.....	156,000
Georgia.....	209,000	Oregon.....	121,000
Hawaii.....	37,000	Pennsylvania.....	265,000
Idaho.....	90,000	Rhode Island.....	37,000
Illinois.....	230,000	South Carolina.....	124,000
Indiana.....	185,000	South Dakota.....	113,000
Iowa.....	188,000	Tennessee.....	172,000
Kansas.....	175,000	Texas.....	430,000
Kentucky.....	155,000	Utah.....	79,000
Louisiana.....	121,000	Vermont.....	37,000
Maine.....	63,000	Virginia.....	165,000
Maryland.....	69,000	Washington.....	120,000
Massachusetts.....	62,000	West Virginia.....	98,000
Michigan.....	218,000	Wisconsin.....	176,000
Minnesota.....	199,000	Wyoming.....	87,000
Mississippi.....	147,000	District of Columbia.....	37,000
Missouri.....	203,000	Puerto Rico.....	62,000
Montana.....	143,000		
Nebraska.....	144,000	Total.....	7,407,000

It should be noted that these sums are matched by the States and would extend over the life of the program.

USE OF SECONDARY FUNDS IN URBAN AREAS

Our American county platform statement on urban highway construction reads as follows:

2-6. *Highway construction in urban areas.*—We strongly oppose proposals to economize in highway construction by eliminating road construction in urban areas. People want to move from or to the heart of urban areas. Farmers move their products to urban markets; our urbanizing population generates half of the Nation's traffic in and through suburban areas and adequate highways stimulate the development of the suburbs. The urban centers are the very heart of our counties and must be saved from traffic strangulation. Actually, as measured in cost per vehicle-mile traveled, urban roads are the least expensive in the Nation.

Removal of present restrictions on the use of secondary funds would return to the States the necessary flexibility in meeting the overall highway construction needs of the individual States.

COMPREHENSIVE TRANSPORTATION PLANNING

NACO has strongly favored a comprehensive approach to highway planning and has endorsed the following program:

2-5. *Comprehensive highway planning.*—Since the highway systems will have great effect on the future development of both urban and rural areas, great care should be exerted to insure that each section is designated to facilitate the wisest possible development of the region. To this end:

(a) Every county should have planning and zoning machinery and, regardless of size, should encourage on a continuing basis the planning and zoning processes.

(b) The county highway plan approved by the elected officials should be developed in cooperation with the planning body and should make adequate allowance for agricultural, industrial, and residential development; urban renewal; coordination of highways with water, rail, air, and truck transportation; and should take into consideration such factors as recreational open space needs.

(c) We endorse the efforts of the HHFA and the Department of Commerce to promote the development of transportation plans within a context of comprehensive community development planning through combined use of section 701, urban planning assistance funds, and 1½ percent highway planning funds.

(d) The State highway departments should honor such plans where they exist in a usable form and should encourage the development of such plans where they do not exist through the use of 1½ percent funds authorized in the Federal-aid program; the provision of State collected data; technical staff assistance; loan of technical equipment; provision of financial assistance for independent studies; State training of local personnel; and such other assistance as is necessary.

(e) In the typical area where we have a welter of smaller political subdivisions engaged in highway planning and construction, the county (or several counties acting together), which is the political unit representing all the people of the area, should take the lead in coordinating all the area highway plans and, where possible, should serve as a single point of contact between the State highway and the area.

(f) Comprehensive highway planning must be diligently carried out to provide for prompt realistic action and informed decision under controls exercised by elected representatives.

We would support those sections of H.R. 11199 which read as follows:

The Secretary (of Commerce) shall, beginning no later than July 1, 1965, before approving programs for projects in any metropolitan area, as required by section 105 thereof, make a finding that such projects are consistent with adequate comprehensive development plans for the metropolitan areas, or are based on the results of a continuing comprehensive transportation process carried on cooperatively by State and local communities and that the Federal-aid system so developed will be an integral part of a soundly based, balanced transportation system for the area involved.

Frankly we are hopeful that the mere existence of this provision will so stimulate the States and localities that the proper plans will be forthcoming to such an extent that it will not be necessary to invoke this section of the law. In the American Association of State Highway Officials, the American Municipal Association and the National Association of County Officials are conducting a series of field meetings on comprehensive transportation planning, which we believe will result in a much closer coordination of the localities and States on transportation matters and result in the local voluntary development of such plans without resort to the sanctions envisioned in this bill.

RELOCATION

NACO favors relocation payments to those displaced by highway construction. Our policy on urban renewal and family relocations reads as follows:

1-3. *County role in slum clearance.*—Increasingly, counties are being called upon to take the lead in the elimination of slums in blighted areas and relocate families displaced by the construction of new highways and of other public works. Under the Housing Act of 1954, Federal funds were authorized to assist counties and municipalities and other local units in bearing the tremendous cost of these vitally important programs. We endorse the action taken to put assistance to urban renewal on a continuing basis, adequate to meet the pressing need of our local communities. We also endorse the provisions of the Housing Act of 1961 which extends the benefits of section 112 to hospitals as well as to colleges and universities. We recommend that no cutoff date for local grant-in-aid funds be allowed.

Thank you for inviting the National Association of County Officials to present its views on this important subject.

Mr. FALLON. Our next witness listed is Mr. Miller. Mr. Miller?
Mr. Miller does not seem to be here.

Congressman Bennett of Michigan was scheduled to be here this morning, but due to the press of business in his committee assignments he will not be present, and he would like to ask unanimous consent that he may file a statement in the record.

(The statement of Congressman Bennett is as follows.)

STATEMENT OF JOHN B. BENNETT, MEMBER OF CONGRESS, MICHIGAN, 1ST DISTRICT, IN SUPPORT OF INCREASED FUNDS FOR FOREST ROADS AND DEVELOPMENT

Our national forests are important sources of water, timber, forage, outdoor recreation, fish and game, and minerals for the use, enrichment, and enjoyment of the American people.

The forests contain one-third of the live saw timber supply and one-third of the big game population of the country. They provide grazing for one-fifth of the sheep and one-eighth of the cattle in the Western States each year.

There are 81,000 miles of fishing streams and 3 million acres of lakes and ponds in the forests. Their watersheds provide water for 1,800 municipalities in the West and many communities and industries in the East. They also help to regulate stream flows and reduce floods on many rivers and streams in both East and West.

The importance of the forests for outdoor recreation is attested by the growth in visits for this purpose from 27 million in 1950 to 102 million in 1961.

In fiscal year 1961 the national forests returned \$99.6 million in receipts to the Federal Treasury. This is only a fraction of the value of the forests to the national economy. The cut of timber from the national forests in 1961—8.4 billion board feet which returned \$98.4 million to the Treasury—had a consumer value of about \$2 billion and provided a livelihood for about 400,000 people. In the same year, the recreationists visiting the forests put over \$750 million into trade channels for lodging, supplies, equipment, transportation, etc.

The value of the national forests to the Nation is in its infancy so to speak. In the "Developing program for the national forests" submitted in its initial form by the Eisenhower administration in 1958, and in its revised form by the present administration last year, the road estimates were based on needs for servicing in the year 2000: (a) Protection of watersheds yielding over 200 million acre-feet of water a year; (b) recreation and wildlife resources used at a level of 635 million visits annually; (c) an annual cut of 21 billion board feet of timber; and (d) grazing on 60 million acres of rangelands. At this level of use it is estimated that receipts to the Treasury from the national forests will be \$400 million.

The revision of last year updates the 1958 program and provides for a greater demand for the products and services of the national forests during the fiscal years 1963-72.

The revised program is based on 195 million recreation visits and a cut of 13 billion board feet of timber in 1972. The original program was based on 130 million visits and 11 billion board feet that year. This necessitates a stepping up of road and trail construction. This is provided for by the authorizations for forest development roads and trails in H.R. 10619. I endorse these authorizations and recommend that they be enacted. I do this because access is prerequisite to development and use of the national forests and for realizing the economic and social benefits of their resources.

The authorizations that this bill would provide are the keystone of the whole national forest program during the next decade. They are also the foundation for continued development of national forest resources in years to come and to meet the expected demands on their products and services that will exist in the year 2000.

The benefits that will accrue from the program during the 10-year period are substantial. It is expected that receipts to the Treasury will rise to about \$230 million by the end of the period. The projected timber cut of 13 billion board feet will have a consumer value of over \$4 billion and provide livelihood for 800,000 people. The level of recreation use in 1972 will put more than \$1.5 billion into trade channels, and during the decade the capital value of the lands and resources of the national forest system will have increased by \$2 billion.

Another benefit that will immediately develop from the accelerated road and trail program that the authorizations of H.R. 10619 would provide is employment in areas of labor surplus and low rural income. About one-fifth of the road and trail construction called for during the 10-year period is in such areas.

An accelerated road and trail building program is necessary because of the increased public use of national forest areas and the contemplated expansion of the timber-cutting program. In addition to providing much-needed improvements on national forest lands, it will also provide jobs for unemployed workers in districts like the northern peninsula of Michigan where national forests are a vital part of our economy.

Mr. SCHERER. Mr. Chairman, there appears in this morning's Washington Post an interesting article by Laurence Stern entitled "Commuters in Chicago Wouldn't Use El if Paid." This deals with the mass transit provisions of the legislation now before us. I ask unanimous consent that it be incorporated in the record at that point where that particular provision of the Buckley bill was being discussed.

Mr. FALLON. Is there any objection?

So ordered.

(The article referred to is as follows:)

[From the Washington Post, May 2, 1962]

COMMUTERS IN CHICAGO WOULDN'T USE EL IF PAID

(By Laurence Stern, Staff Reporter)

ATLANTIC CITY, May 1—Even if they threw away the fare box, transit systems would have trouble enticing commuters away from their cars, a pilot study of motorists in Chicago suggests.

In fact, reported Leon N. Moses, director of research for Northwestern University's transportation center, many motorists would continue to shun public transit if they were paid to ride it.

Moses, an economist who directed the survey of 5,000 Chicago commuters, announced these findings at the national conference of the American Society of Planning Officials here:

Only 13 percent of the auto commuters in the sample group would be lured to public transit with free elevated subway fares and 18 percent would abandon their cars for free buses and trolleys. Ithaca, N.Y., is now experimenting with such a program.

It would take a "negative fare" of 35 cents to divert half of the home-to-work motorists from their automobiles to buses and streetcars.

To shift a similar percentage to the city's subway, riders would have to be paid 45 cents per trip.

Half of the sample group indicated they would use suburban commuter rail lines if they were paid only 15 cents per trip.

Moses said his survey was prompted by the growing clamor for subsidization of mass transportation to cut down on the disruptive impact of urban freeway construction within central cities.

As an alternative means of stimulating transit use he considered the effects of increasing auto commuting costs.

If the cost of driving to work were increased by \$1.30 per day, for example, there would be a 50-percent shift to the el subway system.

On the other hand, warned Moses, a possible result of increasing driving costs might be to shift jobs and industry out of the central city into the suburban ring.

(Findings in Moses' study run contrary, however, to results of a recent survey of automobile commuters conducted by the General Services Administration in the Washington area. More than one-fourth of the drivers said they would be willing to leave their cars at home if cheaper and faster bus service were available.)

While there is a growing demand for improved mass transportation services, Moses cautioned that the cost of subsidizing any large scale conversion to transit "could be greater than all the subsidy programs we have ever engaged in—agricultural, maritime, and defense included."

President Kennedy has asked Congress to enact a \$500 million, 3-year program of grants designed to stimulate better urban transit. This step was pro-

posed by the administration to balance expenditures for highways, now running at \$41 billion at the Federal interstate level.

Recently the Institute of Public Administration in New York, which helped lay the groundwork for the administration program, estimated that the capital needs of the Nation's transit systems will be about \$9 billion in the next decade.

In another talk, Max S. Wehrly, executive director of the Urban Land Institute, took a slap at plans for redevelopment of Washington's southwest waterfront.

A former chairman of the National Capital Regional Planning Council, Wehrly said, "Washington has lost its little fishermen's wharf on the Washington Channel in the interest of monolithic renewal—which I consider a tragedy."

He also attacked what he called "stereotyped" land use and zoning policies on grounds that they create "mechanical and uniform" communities.

Mr. FALLON. If there are no more witnesses before the committee this morning, the committee will adjourn for today subject to the call of the Chair.

(Whereupon, at 11:30 a.m., the subcommittee adjourned subject to the call of the Chair.)

(The following was furnished for insertion.)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 16, 1962.

Hon. CHARLES A. BUCKLEY,
Chairman, Committee of Public Works,
House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed herewith is a copy of a letter dated April 12 addressed to me by one of my constituents, Mr. Zane M. Jones of New Castle, Va., concerning a proposed amendment to H.R. 9725.

My constituent has asked that his letter be made a part of the official record of the hearings conducted on this legislation, and I will consider it a personal courtesy if you will accommodate his request. Mr. Jones is an extremely civic-minded citizen of Craig County which is one of the units of the Sixth Congressional District I am privileged to represent. As Mr. Jones has so well pointed out, 52 percent of the area of the committee is national forest land and, for that reason, it is not included on the county's tax rolls. Accordingly, you will understand why this matter is so important to Craig County.

With kindest regards, I am,
Sincerely,

RICHARD H. POFF.

NEW CASTLE, VA., April 12, 1962.

Congressman RICHARD H. POFF,
House of Representatives, Washington, D.C.

DEAR MR. POFF: The National Association of County Officials has proposed that certain road appropriations be increased by this session of Congress.

They propose that the development program for the national forests, submitted by the President to Congress on September 21, 1961, be implemented by increase of \$27.5 million for Forest Service road and trail construction. I certainly endorse this proposal.

There is 112,000 acres of national forest land in Craig County, 52 percent of the county. An increased road appropriation could mean much to the economy of the county. More Forest Service timber could be offered for sale after being made accessible. This could increase our share of the 25-percent fund which the Forest Service makes available annually for roads and schools. This 25-percent fund is based on total yearly receipts of the individual national forests.

Increased road construction here could also result in providing better access for hunters, fishermen, and the general public seeking outdoor recreation. Craig County depends a great deal on outdoor recreation provided by Jefferson National Forest to supplement income.

I understand that hearings will be held by the Committee on Public Works on April 17, 1962, on H.R. 9725, introduced by Representative Fallon. Would you please see that this letter is made a part of the official record. Your endorsement of the proposed increases to the Fallon bill, as proposed above, could mean a great deal to our county.

Very truly yours,

ZANE M. JONES.

THE STATE OF WISCONSIN,
HIGHWAY COMMISSION,
Madison, April 30, 1962.

Subject: H.R. 11199.

Hon. ROBERT W. KASTENMEIER,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN KASTENMEIER: The Wisconsin Highway Commission has noted the introduction of H.R. 11199, which would establish A-B-C Federal-aid highway authorizations for the fiscal years 1964 and 1965. We hereby respectfully present the view of all members of the commission on behalf of the State of Wisconsin concerning the bill.

SECTION 2(1)

We favor the A-B-C authorizations for the 1964 and 1965 fiscal years as proposed in the Fallon bill, H.R. 9725, which is in keeping with the State policy of the Congress at the time of the 1956 act, rather than those set out in H.R. 11199.

As for the authorizations proposed in section 2, parts (2), (3), (4), (5), (6), (7), and (8), these are satisfactory provided that they are not financed from the trust fund.

As for Section 3—Assistance to Displaced Families and Businesses, we advise against the passage of such a provision. This matter is not a serious problem at all, and displaced people have not been left homeless or seriously inconvenienced because of the highway program in Wisconsin.

We point out that the proposal for making certain payments would also involve involve State funds, inasmuch as the States still furnish approximately half of the money that goes into the Federal-aid highway construction program.

The bill leaves many questions unanswered, such as who would determine what is adequate, safe, sanitary, convenient housing within the means of the individual. Also, as we understand its provisions, the State would be required to make a showing that this housing was available before going ahead with acquiring right-of-way on any interstate, primary, secondary, or urban project.

We believe that the provisions would introduce undue controversy and delay into the program and could effectively stop the program in certain areas.

We believe that an adequate leadtime in planning and acquiring right-of-way is the best answer and allows people and businesses time to arrange for orderly relocation.

Wisconsin law for acquiring right-of-way provides some help in defraying moving costs imposed on people. Under the bill there is actually no limitation placed on payment for moving business.

As to section 6, we agree with this proposal.

As to section 7, concerning the urban transportation planning action program, we are cooperating with the American Municipal Association, the National Association of County Officials, the Bureau of Public Roads, and the Housing and Home Finance Agency to implement the stated objectives.

Before such planning is made mandatory, we urge that such presently launched program be given reasonable opportunity to determine if the cooperative approach, with all of the agencies and levels of the government participating, will produce satisfactory results.

The wording in the bill leaves the decision as to whether a highway project properly fits into a comprehensive and balanced transportation plan to the Secretary of Commerce. In many communities there is a considerable difference of opinion as to what constitutes a balanced transportation system and such differences can only lead to undue and unwarranted delay in obviously needed work.

In conclusion, reference is made to section 8, which would increase the highway planning and research funds on the A-B-C authorizations from 1½ to 2 percent. We are opposed to the increase at this time because of the great backlog of needs on the A-B-C systems and since we have a program underway to channel presently allotted planning and research funds into extremely productive uses.

The increase in percentage withheld from A-B-C authorizations would have to be matched, except in very special cases, and must be used for research exclusively. It will divert \$5 million annually from needed A-B-C roads, which means many miles of highway. Currently the 1½ percent funds, which were stepped up drastically in 1956 by increasing the Federal aid program, amount to \$50 million which is expended for research and planning. In Wisconsin the total of 1½ percent funds, plus matching, aggregates approximately \$1 million per year.

In addition varying but significant amounts of State funds are used annually for research without Federal aid. We believe this is adequate.

Very truly yours,

HARVEY GRASSE, *Chairman.*

WEST VIRGINIA COUNTY AND CIRCUIT CLERKS ASSOCIATION,

April 11, 1962.

Re Fallon bill, H.R. 9725.

Hon. CHARLES A. BUCKLEY,
*Chairman, Public Works Committee,
House of Representatives,
House Office Building, Washington, D.C.*

DEAR CONGRESSMAN BUCKLEY: It has been called to my attention that a committee hearing is scheduled for April 16, 1962, reference the Fallon bill, designated as House bill 9725 which includes \$50 million appropriation for national forest developments consisting of roads and trails.

The West Virginia Association of County & Circuit Clerks have unanimously adopted a resolution supporting the above-mentioned bill and request that this letter be identified and be made part of the record in testimony supporting the cause for this important legislation. The National Association of County Officials, of which our State association is an integral part, has endorsed a vigorous development program for our national forest, and our State clerks' association feels that it is incumbent on us to support the national organization in order to accelerate the construction of roads and trails in our national forest which is so badly needed.

Much emphasis has been placed on tourism in West Virginia, and this has been stressed in all phases of our Government, including our Representatives in Congress and members of our State and county government. We feel that promotion of tourism in West Virginia is a basic requirement to stabilize our economy which has suffered in recent years because of automation in industry, and the migration of our people to large industrial centers outside our State. If tourism is to expand in our State and take its proper place in our economy, one of the first requirements is to support a roadbuilding program that will be accelerated over a period of years consistent with our desires and needs. Regardless of the Federal and State highways constructed in our State, they will be of no avail to tourists, unless the roads and trails in our national forests are constructed to permit tourists to participate in the sports and recreation offered by such.

The West Virginia Clerks Association will appreciate your consideration of our above request and beg of you to support the legislation contained in House bill No. 9725.

Respectfully yours,

C. HAROLD HANKS, *President.*

SPORT FISHING INSTITUTE,
Washington, D.C., April 18, 1962.

Re H.R. 11199 and H.R. 9725 concerning forest roads and trails.

Hon. CHARLES A. BUCKLEY,
*Chairman, Committee on Public Works,
House Office Building, Washington, D.C.*

DEAR CONGRESSMAN BUCKLEY: The Sport Fishing Institute, Washington, D.C., a nonprofit scientific and educational fish conservation organization dedicated to the improvement of sport fishing, and supported by fishermen and industry, endorses H.R. 11199, introduced by you and H.R. 9725, introduced by Congressman George H. Fallon (of your committee). These bills, with proposed amendments, would provide enabling legislation to begin construction of roads and trails into the national forests by fiscal year 1963.

The Federal Highway Act of 1960 (Public Law 86-657) annually allows road appropriations to the U.S. Forest Service. However, these funds (\$37½ million for fiscal year 1963), are a mere drop in the bucket when compared to the \$1.2 billion that are considered to be needed for the proposed 10-year roadbuilding program in the national forests, to be consummated by 1972.

The Sport Fishing Institute recommends that these bills be strengthened by amending them as follows:

Page 2, section 2, paragraph (3), lines 17 through 20 (H.R. 11199) and lines 16 through 18 (H.R. 9725), to read as follows with recommended changes in *italic*:

"For forest development roads and trails, \$67,500,000 for the fiscal year ending June 30, 1963, \$90,000,000 for the fiscal year ending June 30, 1964, and \$120,000,000 for the fiscal year ending June 30, 1965."

Since these proposed amendments include a request (\$67,500,000) for fiscal year 1963, other appropriate amendments may be necessary. We feel that because of the immediacy of the need for these funds, 1963 should be included in these increased authorizations, thereby providing a firm base for commencement of the 10-year roadbuilding program by the U.S. Forest Service.

These bills would provide for a system of roads and trails necessary for the use, protection, and administration of U.S. Forest Service lands. Passage of this proposed legislation now would make money available July 1, 1962. The pressing need is now. We believe that \$67½ million should be made available for fiscal year 1963, as would be provided in these bills, with proposed amendments, to develop "multiple-use management roads." Multiple-use and sustained yields would be the goal for mineral, outdoor recreation, range, timber, watershed, fish, and wildlife purposes.

Access into national forests, as well as the public domain under the Bureau of Land Management, is one area of potential expansion of our outdoor recreating Americans. With recreational demands upon our natural resources being at the levels reported to the President by the Outdoor Recreation Resources Review Commission, it would seem imperative to utilize the full potential of presently available resources. This, of course, must be done in the light of what is the best use for the greatest number of people, using the wisest management concepts now available.

Such forest lands are spread throughout the country, and could be made available to millions of people. For example, much new fishing water could be made available to our Nation's 45 million anglers. This would have the sound objective of dispersing public use, rather than concentrating it. The latter situation is already a real problem, offering little solution in special-purpose reservations such as wildlife refuges and national parks and monuments. The roads and trails development funds as would be authorized in these bills (with proposed amendments), would go far toward relieving this problem.

There are a great many untouched resources within the bounds of national forests. It's chiefly a matter of securing suitable access to them, the principle of conservation through wise use being one of the basic fundamentals. Therefore, Sport Fishing Institute urges the passage of this proposed legislation, including our proposed amendments, and respectfully requests that this letter be made a part of the official record of hearings. Thank you.

Sincerely,

PHILIP A. DOUGLAS,
Executive Secretary.

STATEMENT OF AMERICAN AUTOMOBILE ASSOCIATION ON FEDERAL AID HIGHWAY ACT OF 1962

"The public record of the American Automobile Association in support of the principles of Federal aid to States for highway construction is well established and dates back to the first Federal-aid highway bill passed in 1916.

Perhaps the best known part of this record is our support of the Federal Aid Highway Act of 1956 which provided for a greatly expanded Federal role in highway building, and also provided for an increase in the Federal taxes on highway users and the dedication of certain Federal user taxes to the highway trust fund for the purpose of accelerating construction on both the National System of Interstate and Defense Highways and the A-B-C systems.

It is with this background of our longtime support of Federal-aid highway legislation that we place before you our views on H.R. 9725, H.R. 9848, and H.R. 11199.

We note that of these three bills the first two simply provide for authorizations for continuing Federal aid on the A-B-C systems for the fiscal years 1964-65 with, of course, the customary provision for forest highways, forest development roads and trails, park roads and trails, parkways, Indian reservation roads and bridges, and public lands highways which, of course, are a charge against the general funds of Government.

The third piece of legislation, H.R. 11199, is considerably enlarged in scope, providing not only for the regular authorizations for the 2 fiscal years in question, plus those other authorizations included in the other bills, but also is ex-

ended to deal with the relocation of families and businesses as a result of the taking of land for highway construction; a substantially enlarged activity in the area of urban transportation research; the increase in the 1½-percent Federal planning funds for A-B-C systems to 2 percent; and finally the extension of Federal-aid secondary routes into urban areas.

ABC AUTHORIZATIONS

With regard to the regular authorizations for the A-B-C systems for the fiscal years 1964 and 1965 provided for in all three bills, we note the difference in the annual provision as contained in H.R. 9725 and the other two bills. AAA policy calls for "concurrently increasing the Federal-aid primary, secondary, and urban highway programs to accommodate expanding highway traffic requirements, within the scope of the Federal Government's responsibility." Either of the concepts set forth in the two different versions of the three bills in question appears to accomplish this purpose.

OTHER HIGHWAY AUTHORIZATIONS

We reiterate our view that authorizations for highways on lands under Federal ownership, control, or jurisdiction are and should continue to be a charge against the general funds of Government and not against the highway trust fund.

SECTION 3 OF H.R. 11199: ASSISTANCE FOR DISPLACED FAMILIES AND BUSINESSES

Section 3 provides for certain payments to persons and businesses displaced by acquisition of lands for highway purposes and in so doing seeks to redefine the term "highway construction" as set forth in section 101, title 23. We have noted with interest the fact that the Select Subcommittee on Real Property Acquisitions of the House Public Works Committee is currently considering this problem as it relates to all forms of Federal and federally aided construction and that said subcommittee has not as yet had an opportunity to complete its survey and report.

We therefore suggest that the roads subcommittee permit the select subcommittee to complete its study before considering any such provision.

SECTION 6 OF H.R. 11199: FEDERAL-AID SECONDARY HIGHWAY SYSTEM: URBAN AREAS

This section provides for the further extension of certain parts of the Federal aid secondary system into and through urban areas so as to provide for an integrated and connected system.

We believe this is a logical and proper recommendation and is in agreement with basic policy of the American Automobile Association, which stresses the importance of properly integrated Federal aid highway systems.

SECTION 7 OF H.R. 11199: TRANSPORTATION PLANNING IN METROPOLITAN AREAS

This section provides for cooperation as between the Secretary of Commerce and the States in development of long-range highway plans and programs, properly coordinated with plans for improvements in other forms of transportation and formulated with due consideration to their probable effect on the future development of metropolitan areas. The objective appears to be carrying on of needed forms of urban transportation research and planning and to insure effective liaison and coordination among local governmental agencies and between local governmental agencies and State and Federal transportation departments, although this interpretation is not clearly or specifically stated.

This association has long been on record favoring effective urban transportation planning.

It is our judgment, however, that the language in section 7 is vague as to its practical application, is subject to greatly differing interpretations and, thus, would have adverse effects on the orderly development of highways in urban areas.

For example, the imposition of a date (July 1, 1965), after which the Secretary shall make certain findings, brings into sharp focus the inability of many official planning agencies to come to agreement with suburban communities and the frequent long delays in coming to an agreement as to plans for overall area development.

This problem has also confronted State highway administrators for years in their attempts to secure sound highway transportation plans in urban areas, properly integrated with overall city planning involving other aspects of metropolitan area development.

This requirement may place the Secretary of Commerce in the position of being unable to carry out on schedule the interstate highway program carefully developed by Congress and adequately financed by highway user taxes, a program for which the Secretary has the final responsibility to the Congress.

One of the fundamental concepts of the National System of Interstate and Defense Highways is completion of that system in all parts of the country by 1972, thus providing an indispensable transportation network to serve the military and civilian defense needs of the Nation as well as to promote the general welfare and the overall economy. This was clearly the intent of Congress when in the Federal-aid Highway Act of 1956 it declared:

"It is the intent of Congress that the Interstate System be completed as nearly as practicable over a 13-year period and *that the entire system* in all the States be brought to *simultaneous completion*." [Italic added.] Section 108, Public Law 627.

How would enactment of section 7 of H.R. 11199 affect this carefully conceived purpose? Are not the conditions imposed upon the Secretary in said section 7 a substantial roadblock in the achievement of this important goal?

The requirement that there must be a finding of "adequate comprehensive development plans or a continuing comprehensive transportation process" and that "the Federal-aid system so developed will be an integral part of a soundly based, balanced transportation system for the area involved" could have different meanings in different places to different agencies and people. These development plans, or this comprehensive transportation planning process, must, according to the proposed legislation, be "carried on cooperatively by the States and local communities * * *." What agency of a State shall have this responsibility? Who in the local community is to share this responsibility? Which of the State or local agency certifications of the existence of a comprehensive plan will the Secretary be authorized to accept as a basis upon which to make his findings, and what shall be the elements of such a plan? Must all of the municipalities in a metropolitan area be in agreement on a comprehensive plan, or would agreement of a certain percentage of the affected municipalities constitute a sufficient warrant for the Secretary to make a finding? If so, what percentage of the communities must be in agreement? Could failure of one community to accept the comprehensive plan result in serious delay in the expeditious completion of Federal-aid highway programs for the metropolitan area complex?

These are some of the questions which need to be answered.

While coordination of urban transportation planning is desirable, the American Automobile Association feels that there should be some assurance, specifically stated, that completion of Federal-aid highway projects in urban areas will not be jeopardized as a result of local controversies as to the acceptance of all elements of a proposed comprehensive plan by all communities affected.

The AAA is convinced that this section is in need of further careful study, both as to specific purpose and content, before inclusion in any Federal-aid highway legislation.

STATEMENT OF JOSEPH S. MILLER ON BEHALF OF WESTERN FOREST INDUSTRIES ASSOCIATION, PORTLAND, OREG.

Mr. Chairman and members of the subcommittee, I am Joseph S. Miller, of 1028 Connecticut Avenue, Washington, D.C. I appear on behalf of Western Forest Industries Association, 2319 Lloyd Center, Portland, Oreg. The association's membership consists of about 100 manufacturers of lumber and plywood in the Pacific Northwest. The common bond among the membership is their individual dependence for their raw material supply upon the public forest lands administered by the Forest Service and the Department of the Interior.

The association urges the enactment of H.R. 11199, with the authorization for forest roads and trails changed to \$67.5 million, \$90 million, and \$120 million for fiscal years 1963, 1964, and 1965, respectively.

Heretofore the great bulk of road mileage in the national forests has been constructed to Forest Service requirements by timber operators as an aspect of their timber sale contracts. In effect the Government has been using the working capital of timber operators. To many sawmill owners this has imposed a heavy burden. Now with the sudden penetration of our American lumber market by

Canadian lumber with consequent heavy unemployment in our western timber areas, this has become a burden that many operators can no longer bear.

Roads constructed by timber operators proceed slowly into the far reaches of the forests. Roads are essential to fire suppression. Hence our firefighting capabilities suffer severely for lack of needed access roads. In addition in the far reaches of the forests are hundreds of millions of feet of timber that succumb annually to insects and disease. With roads available this mortality can be saved, the asset converted into revenue for the Treasury before it has rotted beyond economic recovery, and employment can be promoted.

Under existing law, as we understand it, the Forest Service and Bureau of Land Management may require timber operators to build roads only to the standard that would be followed by a prudent timber operator in the construction of a road to be used to harvest only the single patch of timber included in one sale. Roads of this type, of course, have neither the size, safety, nor permanence to accommodate heavily increasing multiple-use loads. Availability of additional funds to the Forest Service and Bureau of Land Management would enable these agencies to participate with timber operators in cooperative arrangements for construction of roads of the type that are needed if multiple use is to be translated from concept to practice.

In addition, through the pine belt of 11 Western States, the low value, so-called associated species of timber, such as lodgepole pine, when appraised by the Forest Service, often reflects either a negative value or too low a profit to justify the use of this timber. This means that Forest Service appraisals of the associated species, even when appraised at a wholly nominal minimum, reflect the fact that the return from the sale of wood products made from these off-species will not cover the costs of logging, road construction, manufacturing and a profit margin defined as fair in the Forest Service appraisal system. Nevertheless, in order to keep operating and in order to make use of this resource, operators must buy this timber and harvest it even when it is clear that substantial losses may ensue. Indeed, in some areas operations and communities are built entirely around the harvesting of these associated species. If the mill owner is finally forced to close his operation, the local community withers. One of the substantial elements of cost in harvesting such associated species is the road construction that must be performed by the operator with his own capital. With the funds that we propose for authorization the Forest Service could either built roads in advance of timber sales to the standards most suitable for full multiple use or, in the alternative, could enter into cooperative road construction agreements with the successful timber bidders. This would enable operators to continue the harvest of these off-species so that the lands can be converted to growing new, desirable timber crops. In the meantime, employment and communities would not suffer.

DEPARTMENT OF COMMERCE,
BUREAU OF PUBLIC ROADS,
Washington, D.C., April 20, 1962.

Hon. GEORGE H. FALLON,
House of Representatives, Washington, D.C.

DEAR MR. FALLON: Supplementing my testimony of April 17, 1962, on H.R. 9725, H.R. 9848, and H.R. 11199, I am submitting for the record the enclosed tables showing estimated receipts, expenditures and trust fund balances for the fiscal years 1957-73 under existing legislation and under legislation which would take aviation fuel tax out of the highway trust fund. These tables are copies of statements appearing on pages 8 and 9 of the report by the Secretary of the Treasury entitled "Financial Condition and Fiscal Operations of the Highway Trust Fund, Fiscal Year 1961" (H.Doc. No. 349, 87th Cong., 2d sess.).

Inclusion of these tables in the record of the hearings will be appreciated.

Sincerely yours.

REX M. WHITTON,
Federal Highway Administrator.

STATEMENT No. 2.—*Status of highway trust fund, actual fiscal years 1957-61, and estimates, 1962-73, under existing legislation*

[In millions of dollars]

Fiscal year	Receipts						Expenditures					Balance in the fund			
	Gross excise taxes	Refunds of taxes	Net excise taxes	Interest on invest- ments	General fund advances	Repay- ment of general fund advances	Total	Highway program					Interest on advances	Total	
								Other 2							
								Inter- state	Primary, second- ary, and urban 1	Other 2	Total				
Actual:															
1957.....	1,479	-----	1,479	3	-----	-----	1,482	208	743	15	966	-----	966	516	
1958.....	2,116	90	2,026	18	-----	-----	2,044	675	809	27	1,511	-----	1,511	1,049	
1959.....	2,171	97	2,074	13	-----	-----	2,087	1,501	859	273	2,613	-----	2,613	523	
1960.....	2,642	103	2,539	12	359	359	2,541	1,861	879	200	2,940	5	2,945	119	
1961.....	2,923	126	2,798	2	60	60	2,800	1,719	877	23	2,619	1	2,620	299	
Estimate:															
1962.....	3,132	135	2,997	4	-----	-----	3,001	2,072	931	23	3,026	-----	3,026	274	
1963.....	3,391	133	3,258	4	-----	-----	3,262	2,329	915	8	3,252	-----	3,252	284	
1964.....	3,486	133	3,353	4	-----	-----	3,357	2,451	922	6	3,379	-----	3,379	262	
1965.....	3,583	133	3,450	4	-----	-----	3,454	2,552	917	6	3,475	-----	3,475	241	
1966.....	3,680	134	3,546	4	-----	-----	3,550	2,645	926	6	3,577	-----	3,577	214	
1967.....	3,782	135	3,647	4	-----	-----	3,651	2,739	943	6	3,688	-----	3,688	177	
1968.....	3,888	138	3,750	4	-----	-----	3,754	2,838	953	5	3,796	-----	3,796	135	
1969.....	3,996	139	3,857	4	-----	-----	3,861	2,866	967	5	3,838	-----	3,838	158	
1970.....	4,106	141	3,965	4	-----	-----	3,969	2,901	972	5	3,878	-----	3,878	249	
1971.....	4,218	144	4,074	4	-----	-----	4,078	2,992	974	5	3,971	-----	3,971	356	
1972.....	4,333	146	4,187	4	-----	-----	4,191	3,104	961	5	4,070	-----	4,070	477	
1973.....	4,448	185	4,263	4	-----	-----	4,267	3,197	961	5	4,153	-----	4,153	176	
Total.....	54,675	2,112	52,563	82	419	419	52,645	37,000	14,845	618	52,463	6	52,469	-----	

¹ Assuming authorizations will be extended for the fiscal years 1964-72 with biennial increases of \$25,000,000 (from \$925,000,000 for each of fiscal years 1962 and 1963) to a \$1,000,000,000 maximum annually.

advances to States, and special \$400,000,000 of primary, secondary, and urban funds authorized by sec. 2(a) of Federal-Aid Highway Act of 1958.

² Includes emergency relief funds, bridge and dam design and construction funds,

³ Includes receipts on tax liabilities accrued prior to Oct. 1, 1972, but collected thereafter.

STATEMENT No. 3.—*Status of highway trust fund, actual fiscal years 1957-61, and estimates 1962-73, under existing and proposed legislation*

[In millions of dollars]

Fiscal year	Receipts					Expenditures					Balance in the fund				
	Deductions			Net excise taxes	Interest on investments	General fund advances	Repayment of general fund advances	Total	Highway program			Interest on advances	Total		
	Gross excise taxes	Refunds of taxes	Tax on aviation fuel						Inter-state	Prim-ary, second-ary, and urban ¹				Other ²	Total
Actual:															
1957	1,479			1,479	3			1,482	208	743	15		966	516	
1958	2,116	90		2,026	18			2,044	675	809	27		1,511	1,049	
1959	2,171	97		2,074	13			2,087	1,501	839	273		2,613	523	
1960	2,642	103		2,539	2	359	359	2,541	1,861	879	200	5	2,945	119	
1961	2,923	126		2,798	2	60	60	2,800	1,719	877	23	1	2,620	299	
Estimate:															
1962	3,132	135		2,997	4			3,001	2,072	931	23		3,026	274	
1963	3,391	133	12	3,246	4			3,250	2,329	915	8		3,252	272	
1964	3,486	121	34	3,331	4			3,335	2,451	922	6		3,379	228	
1965	3,583	117	1965	3,436	4			3,440	2,552	917	6		3,475	193	
1966	3,680	120	1966	3,533	4			3,537	2,645	926	6		3,577	153	
1967	3,782	122	1967	3,635	4			3,639	2,739	943	6		3,688	104	
1968	3,888	125	1968	3,738	4			3,742	2,838	953	5		3,796	50	
1969	3,996	127	1969	3,845	4			3,849	2,866	967	5		3,888	61	
1970	4,106	129	24	3,953	4			3,957	2,901	972	5		3,878	140	
1971	4,218	132	24	4,062	4			4,066	2,992	974	5		3,971	235	
1972	4,333	134	24	4,175	4			4,179	3,104	961	5		4,070	344	
1973	3 1,748	172	10	1,566				1,566	1,547	317			1,864	46	
Total	54,075	1,983	259	52,433	82	419	419	52,515	37,000	14,845	618	6	52,469		

¹ Assuming authorizations will be extended for the fiscal years 1964-72 with biennial increases of \$25,000,000 (from \$925,000,000 for each of fiscal years 1962 and 1963) to a \$1,000,000,000 maximum annually.

advances to States, and special \$400,000,000 of primary, secondary, and urban funds authorized by sec. 2(a) of Federal-Aid Highway Act of 1958.

² Includes emergency relief funds, bridge and dam design and construction funds, ³ Includes receipts on tax liabilities accrued prior to Oct. 1, 1972, but collected thereafter.

DEPARTMENT OF COMMERCE,
BUREAU OF PUBLIC ROADS,
Washington, D.C., May 7, 1962.

Hon. GEORGE H. FALLON,
Chairman, Subcommittee on Roads, Committee on Public Works,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Following my testimony on May 1, 1962, in regard to our estimate of the cost of relocating tenants and businesses on the Interstate and ABC systems, and utility costs of the program, I checked the detail estimates and I wish to submit these for the record rather than the general approximations that I used:

1. *Relocation cost for interstate program.*—On the basis of estimates developed by Public Roads and included in the urban transportation joint report to the President by the Housing and Home Finance Administrator and the Secretary of Commerce, the interstate program is estimated to displace about 15,000 families and 1,500 businesses annually during each of the next few years. Under limitations of \$200 per family and \$3,000 per business, the cost of the relocation program would be about \$45 million for the interstate program, including both State and Federal funds.

2. *Additional relocation costs for ABC program.*—Relocation costs for the ABC program are estimated at about \$5 million. This is a very general estimate, based on about 10 percent of interstate program costs. The total estimate for the Interstate and ABC programs combined, including both State and Federal funds, is \$50 million. This information is based on prior estimates received from field offices, modified by experience of the Urban Renewal Administration.

3. *Cost of utility relocations.*—Twenty-six States have enacted legislation providing for reimbursement to utilities for the cost of relocating facilities located on public right-of-way. Cost data are not available covering separately this portion of the total cost of relocating utility facilities. The costs of all utility relocation work authorized on Federal-aid highway projects during the calendar year 1961 were as follows, covering facilities located on both publicly owned and privately owned rights-of-way:

Program	Total cost	Federal funds
Interstate.....	\$62,118,000	\$49,401,000
ABC.....	17,336,000	8,734,000
Total.....	79,454,000	58,135,000

Utility relocation work was authorized during 1961 in all States except Delaware.

Please advise if I can be of further assistance to the committee.

Sincerely yours,

REX M. WHITTON,
Federal Highway Administrator.

STATEMENT OF CONGRESSMAN AT LARGE, WALTER S. BARING, NEVADA, BEFORE
PUBLIC WORKS SUBCOMMITTEE ON ROADS, RELATIVE TO FOREST DEVELOP-
MENT ROADS IN NATIONAL FORESTS, H.R. 11199, WEDNESDAY, APRIL 18, 1962

On September 21, 1961, the President transmitted to the U.S. Congress a development program for the national forests, and suggested that this program be implemented by increasing the authorization for forest development roads and trails in the 1963 fiscal budget.

The legislation before the Public Works Subcommittee on Roads today, H.R. 11199 appears only to increase this authorization \$10 million over the 1960 Federal Highway Act which provided \$40 million authorization for these forest development roads. However, in Representative Ullman's bill, H.R. 10619, the amount for the fiscal year 1963 for this item is \$67.5 million which is more in line with the request of the President of September 21, 1961.

If these roads are to be properly developed, and if this program is not to lag behind, it is evident that the initial year must start with large enough an authorization to commence the program we have set out to accomplish.

The increased construction of forest access roads, by Federal appropriation, will result in a more permanent type of forest road system and will increase access for forest fire protection, which is of ultimate importance in the Nevada national forests, it will increase recreation and other multiple uses and increase revenues for State and local governments, since, when the Government builds these roads there is a greater opportunity for small mills and loggers to bid, and this in turn tends to increase the amount the Government would otherwise realize from sale of timber, when the Government builds the roads. Furthermore, payments are made when the timber is actually cut; this makes it possible for small operators to participate, and thus increase competition for national forest timber.

Under the present program it is apparent that we are not getting the sort of roads which were intended under the Multiple Use-Sustained Yield Act of 1960 which in turn directs that the national forests shall be administered for outdoor recreation, watershed, wildlife and fishing purposes.

A standard road has wasted millions of dollars in expensive maintenance costs and in reconstruction and replacement costs for the Government. I, therefore, feel that the \$67.5 million as provided in H.R. 10619 for 1963 is a more true figure for accomplishing the national forests development program.

I am including in my statement a telegram which I have just received from the Elko Chamber of Commerce which states the urgent need for development of the forest roads:

ELKO, NEV., April 11, 1962.

HON. WALTER S. BARING,
House of Representatives:

We feel there is urgent need for appropriations provided for in H.R. 10619 on which hearings scheduled by public works subcommittee headed by George Fallon, Thursday. Measure provides badly needed funds for construction forest development roads providing access to forest lands which must be provided if these areas are to meet recreational needs of West. Development of proposed Ruby Mountain Scenic Area will be impossible unless adequate road development funds provided.

ELKO CHAMBER OF COMMERCE.

Nevada is in particular need of development forest roads for much of the national forest area has not yet been developed, and the population of Nevada has increased tremendously over the last 10 years, besides the steady flow of visitors from other States create a need for the more accessible recreation areas, not to forget the abundant hunting and fishing in the Nevada national forests, and many of these fine fishing areas are almost inaccessible until such time as proper development forest roads and trails can be established.

If we are going to do a good job on the proposed recreation program at all, let us begin to do it right as suggested by the President from the very start so that we can share our great outdoors with all of the people of this country.

STATEMENT OF INDUSTRIAL FORESTRY ASSOCIATION, PORTLAND, OREG., ON
H.R. 9848 AND H.R. 9725

The Industrial Forestry Association has continuously stressed the need for timber access roads in the national forests since 1947. It supported increased authorizations for forest development roads and trails before the Subcommittees on Roads of the House and Senate Committees on Public Works in 1952, 1954, 1957, 1958, and 1960. It has done so because without an adequate timber access road system the national forests can never contribute their full allowable timber harvest to the Nation's economy.

The Industrial Forestry Association consists of 76 members in the business of growing and harvesting timber and manufacturing lumber, pulp and paper, plywood, shingles, hard and soft boards, and other forest products. Its members operate more than 335 wood-using plants which employ 70,000 people in Washington and Oregon west of the Cascades. Their annual payroll exceeds \$350 million.

In the last 5 years association members have purchased more than a quarter of the national forest timber sold in our region, so we have extensive firsthand knowledge of the need for timber access roads.

To emphasize the necessity for an adequate system of timber access roads in the national forests of Oregon and Washington only a few data are necessary.

Washington and Oregon have 38 percent of the Nation's timber supply. They produce about a quarter of all forest products used annually by the American people. Annual value of the forest crop is \$2¼ billion and furnishes employment to 250,000 people with an annual payroll of close to \$1¼ billion. This is the Northwest's largest unsubsidized payroll and constitutes 50 percent of its basic economy.

Because timber is a renewable resource, the Northwest can continue to enjoy its important contribution to its economy, providing the principal forest ownership, the national forests, does its part.

The national forests in Washington have 37.4 percent of the State's total timber supply (table 1); in Oregon 49.6 percent (table 2). The national forests have been the last major forest ownership to be placed under constructive management largely due to their relative inaccessibility until a decade ago.

The record of the national forests' contribution to our annual timber harvest as timber access roads have been built, has been improving steadily as the data for the last decade show.

In Washington the national forests by 1960 were contributing a quarter of the total timber harvest compared with only 16.5 percent a decade earlier (table 3). It should be noted that in 1959 they contributed 29.5 percent of the total timber harvest.

In Oregon the national forests by 1960 were contributing 27.6 percent of the total timber harvest compared with 14.0 percent a decade earlier (table 4). It is to be noted that in 1959 the national forests contributed 32.8 percent of the total timber harvest.

Table 5 shows that the full allowable cut was nearly attained on the national forests of Washington for the first time in 1959. Table 6 shows that the full allowable cut was attained on the national forests in Oregon that year. Never before has the Forest Service been able to achieve its sustained-yield goal of both selling and harvesting its full allowable cut in our States. Primary reason for previous failure has been lack of timber access roads.

Table 7 shows a comparison of the proportion of the allowable cut both harvested and sold by Westside national forests in Washington and Oregon for the year 1960. It shows that six of the forests sold more than their full allowable cut, three of them almost sold it, and one fell substantially below. With a softened demand, the actual cutting of the full allowable cut was attained on only two forests, nearly attained on three others, and fell substantially below on five.

Reason for better record of timber sales and harvests on national forests in Oregon and Washington is apparent from table 8. The total appropriated road funds available for the national forests of Oregon and Washington have risen almost steadily. Of course, the road and trail 10 percent automatic appropriation has continued to be the most important and its increases stem directly from the steadily improving timber access road situation during the past decade. First came the roads, then increased sales, increased revenue, and more 10-percent money. But both authorizations and appropriations were rising steadily too and they all helped.

But by far the major share of the timber access road system has been built by timber purchasers as part of their contracts to harvest national forest timber. Table 9 shows the importance of this type of construction. It shows that nearly 95 percent of the mileage of timber access roads in Washington and Oregon in the last 9 years has been built by the industry as part of its national forest timber purchase contracts. During the same period the Government has spent directly only one-fifth of the \$230 million invested in timber access roads.

In our 1958 and 1960 statements to this subcommittee we stated that while we were supporting the reenactment of the annual authorization for forest development roads and trails at the levels called for in the bills amending the Federal-Aid Highway Act of 1916, we would support any amount demonstrated necessary by evidence presented to the subcommittee.

Industrial Forestry Association supports the enactment of the \$40 million authorization for forest development roads and trails for fiscal years 1964 and 1965 as called by by section 2(2) of H.R. 9725 and H.R. 9848. As in 1960, if evidence shows that \$40 million per year is inadequate to allow continued sale and harvest of the full allowable cut (including increased allowable cut which inevitably results from revised inventories and improved technology in the industry) we support the amount demonstrated by competent authority as essential.

As in 1958 and 1960, we would again make the suggestion to the subcommittee that it should now seriously consider the subdivision of the authorization for forest development roads and trails into two items: (a) Construction and (b) maintenance. This would assure adequate funds to maintain the ever-increasing mileage of permanent timber access and other roads on the national forests. Segregation of construction and maintenance items should assist greatly the Appropriations Committees in their annual analysis and justification of the Forest Service budget request for roads.

We appreciate the opportunity of again supporting the reenactment of the biennial authorization of funds for timber access roads and would be glad to provide the subcommittee with further information on the subject from the States of Oregon and Washington.

TABLE 1.—*Ownership of live sawtimber on commercial forest lands in Washington, Jan. 1, 1961*

[Billion board feet, log scale]

	Volume	Percentage
Public:		
National forests.....	104.4	37.4
Public domain and other.....	2.4	.9
Indian.....	15.0	5.4
State, county, and municipal.....	23.3	8.4
Total.....	145.1	52.1
Private.....	133.7	47.9
Grand total.....	278.8	100.0

TABLE 2.—*Ownership of live sawtimber on commercial forest lands in Oregon, Jan. 1, 1961*

[Bill board feet, log scale]

	Volume	Percentage
Public:		
National forest.....	180.4	49.6
O. & C. and public domain.....	53.6	14.7
Indian.....	9.8	2.7
State, country, and municipal.....	12.1	3.3
Total.....	255.9	70.3
Private.....	108.0	29.7
Grand total.....	363.9	100.0

SOURCE: Data from Timber Resource Review, U.S. Forest Service adjusted by log harvest by ownerships for 1953 to 1960.

TABLE 3.—*Timber harvested by ownerships in Washington, 1951-60*

(Thousand board feet, log scale)

Calendar year	Private ¹	National forests	Public domain and national parks ²	Indian	State ³	Total
1951.....	3,464,800	773,500	12,000	177,600	250,000	4,677,900
Percent total.....	74.1	16.5	0.3	3.8	5.3	100.0
1952.....	2,871,700	801,700	14,100	245,300	300,000	4,232,300
Percent total.....	67.9	18.9	0.3	5.8	7.1	100.0
1953.....	3,542,400	942,500	18,100	276,300	300,000	5,079,300
Percent total.....	69.7	18.6	0.4	5.4	5.9	100.0
1954.....	2,495,900	883,100	16,300	253,500	350,000	3,998,800
Percent total.....	62.4	22.1	0.4	6.3	8.8	100.0
1955.....	2,994,000	862,400	23,900	321,900	448,500	4,650,700
Percent total.....	64.4	18.6	0.5	6.9	9.6	100.0
1956.....	3,261,200	944,500	21,000	281,100	526,900	5,034,700
Percent total.....	64.8	18.7	0.4	5.6	10.5	100.0
1957.....	2,530,700	900,100	19,900	194,700	404,700	4,050,100
Percent total.....	62.5	22.2	0.5	4.8	10.0	100.0
1958.....	2,291,300	1,026,700	17,500	238,400	305,200	3,879,100
Percent total.....	59.1	26.5	0.4	6.1	7.9	100.0
1959.....	2,817,500	1,437,400	20,500	304,200	289,200	4,868,800
Percent total.....	57.9	29.5	0.4	6.3	5.9	100.0
1960.....	3,000,100	1,181,000	17,800	255,900	272,000	4,726,800
Percent total.....	63.5	25.0	0.4	5.4	5.7	100.0
Grand total.....	29,269,600	9,752,900	181,100	2,548,900	3,446,500	45,199,000
Average for period.....	2,926,960	975,290	18,110	254,890	344,650	4,519,900
Percent.....	64.8	21.6	0.4	5.6	7.6	100.0

¹ Private volume for 1951-54 determined by subtracting total public from total for year. Data for 1955-60 furnished by Washington Department of Natural Resources.

² Public domain cut derived from Bureau of Land Management data on cut by fiscal years.

³ Volume estimated for 1951-54. Data for 1955-60 furnished by Washington Department of Natural Resources.

NOTE.—Data for national forests, national parks, Indian, and grand total cut for State furnished by Washington Department of Natural Resources, Olympia, Wash., and Pacific Northwest Forest and Range Experiment Station, Portland, Ore.

TABLE 4.—*Timber harvested by ownerships in Oregon 1951-60*

(Thousand board feet, log scale)

Calendar year	Private ¹	National forests	O. & C. ² and public domain	Indian	State and County ³	Total
1951.....	6,710,500	1,216,000	399,200	178,800	200,000	8,704,500
Percent total.....	77.1	14.0	4.6	2.0	2.3	100.0
1952.....	7,653,300	1,335,300	428,800	135,100	250,000	9,802,500
Percent total.....	78.1	13.6	4.4	1.4	2.5	100.0
1953.....	6,230,200	1,518,400	510,000	128,600	200,000	8,587,200
Percent total.....	72.6	17.7	5.9	1.5	2.3	100.0
1954.....	6,269,900	1,720,400	586,000	109,400	175,000	8,860,700
Percent total.....	70.8	19.4	6.6	1.2	2.0	100.0
1955.....	6,998,800	1,768,500	610,000	142,600	200,000	9,719,900
Percent total.....	72.0	18.2	6.3	1.4	2.1	100.0
1956.....	6,505,200	1,867,600	625,000	163,000	175,000	9,335,800
Percent total.....	69.7	20.0	6.7	1.7	1.9	100.0
1957.....	5,083,600	1,658,200	594,000	52,300	175,000	7,563,100
Percent total.....	67.2	21.9	7.9	.7	2.3	100.0
1958.....	4,563,700	2,144,700	751,900	98,900	150,000	7,709,200
Percent total.....	59.2	27.8	9.8	1.3	1.9	100.0
1959.....	4,773,600	2,934,700	968,800	75,700	187,800	8,940,600
Percent total.....	53.4	32.8	10.8	0.9	2.1	100.0
1960.....	4,927,100	2,314,900	863,000	75,900	204,500	8,385,400
Percent total.....	58.8	27.6	10.3	0.9	2.4	100.0
Total.....	59,715,900	18,478,700	6,336,700	1,160,300	1,917,300	87,608,900
Average for period.....	5,971,590	1,847,870	633,670	116,030	191,730	8,760,890
Percent.....	68.2	21.1	7.2	1.3	2.2	100.0

¹ Private volume determined by subtracting total Public from Total for year.

² O. & C. cut 1951 to 1956 derived from Bureau of Land Management data on sales and cut by fiscal years. 1957 to 1960 data from Bureau of Land Management.

³ Estimated.

NOTE: Data for National Forests, Indian and Grand Total cut for State furnished by Pacific Northwest Forest & Range Experiment Station, Portland, Ore., and Oregon State Board of Forestry, Salem, Ore.

TABLE 5.—*Actual timber cut compared with allowable annual cut for national forests in Washington, 1952-61*

[Thousand board feet, log scale]

Calendar year	Actual timber cut	Allowable annual cut	Proportion of allowable cut harvested
1952	724,400	909,700	80
1953	868,900	909,400	96
1954	845,600	1,042,900	81
1955	874,600	1,051,100	83
1956	839,000	1,118,100	75
1957	749,500	1,289,900	58
1958	889,600	1,307,500	68
1959	1,256,400	1,311,100	96
1960	1,061,300	1,318,700	80
1961	1,177,000	1,321,100	89
Total	9,286,300	11,579,500	-----
Annual average, 1952-61	928,630	1,157,950	80

Source: Division of Timber Management, U.S. Forest Service, Portland, Oreg.

TABLE 6.—*Actual timber cut compared with allowable annual cut for national forests in Oregon, 1952-1961*

[Thousand board feet, log scale]

Calendar year	Actual timber cut	Allowable annual cut	Proportion of allowable cut harvested
1952	1,310,100	1,791,200	73
1953	1,452,000	1,791,000	81
1954	1,638,400	1,844,000	89
1955	1,694,500	1,844,400	92
1956	1,763,600	1,904,400	93
1957	1,541,600	2,057,000	75
1958	2,034,200	2,303,100	88
1959	2,796,300	2,387,100	117
1960	2,264,300	2,479,900	91
1961	2,625,600	2,595,900	101
Total	19,120,600	20,998,200	-----
Annual average, 1952-61	1,912,060	2,099,820	91

Source: Division of Timber Management, U.S. Forest Service, Portland, Oreg.

TABLE 7.—*Comparison of allowable cut, actual cut and sales for Westside national forests, region 6, 1960*

National forest	Allowable annual cut (thousand board feet)	Volume cut, (thousand board feet)	Proportion allowable cut harvested	Volume sold, (million board feet)	Proportion allowable cut sold
Oregon:					
Mount Hood	314,800	314,100	99.8	336,200	106.8
Rogue River	180,000	160,500	89.2	247,100	137.3
Siskiyou	153,000	166,200	108.6	173,800	113.6
Siuslaw	315,000	326,900	103.8	312,800	99.3
Umpqua	303,000	281,200	92.8	372,300	122.9
Willamette	529,000	460,800	87.1	567,400	107.3
Washington:					
Gifford Pinchot	395,000	370,500	93.8	400,500	101.4
Mount Baker	222,000	198,400	89.4	219,600	98.9
Olympic	341,000	250,900	73.6	181,600	53.3
Snoqualmie	206,200	127,200	61.7	188,700	91.5

Source: Division of Timber Management, U.S. Forest Service, Portland, Oreg.

TABLE 8.—Road moneys allocated to region 6, U.S. Forest Service, 1950-61

Fiscal year	Forest development road and trail appropriations	Road and trail 10-percent fund
1950 ¹	\$1,655,976	\$1,250,101
1951	3,115,000	1,372,225
1952	2,010,000	2,624,405
1953	1,690,810	3,080,125
1954 ²	1,165,600	3,776,469
1955	7,391,900	3,104,312
1956	3,884,932	3,817,978
1957	2,470,000	5,463,564
1958	1,777,265	5,659,160
1959	2,164,153	4,613,246
1960	3,327,638	6,564,761
1961	4,174,228	7,580,300

¹ Flood repair money (Chelan Forest), \$1,065,000.

² Other miscellaneous, \$86,842.

NOTE.—Funds listed in footnotes 1 and 2 are additional to funds listed in body of table.

Source: Division of Fiscal Control, U.S. Forest Service, Portland, Oreg.

TABLE 9.—Timber access road construction, region 6, U.S. Forest Service, 1953-61

Fiscal year		Miles	Cost
1953	Purchaser constructed	519.6	\$6,784,514.00
	Government constructed ¹	35.6	4,903,989.98
1954	Purchaser constructed	639.4	10,463,427.00
	Government constructed ¹	56.1	2,926,853.23
1955	Purchaser constructed	754.6	11,810,354.00
	Government constructed ¹	62.8	8,118,206.61
1956	Purchaser constructed	1,120.5	17,937,475.00
	Government constructed ¹	119.0	4,651,513.59
1957	Purchaser constructed	1,382.6	20,344,678.74
	Government constructed ¹	57.2	4,652,022.49
1958	Purchaser constructed	1,393.1	23,488,485.03
	Government constructed ¹	33.4	7,351,525.39
1959	Purchaser constructed	1,484.1	26,644,366.00
	Government constructed ¹	84.2	5,417,769.71
1960	Purchaser constructed	1,641.4	31,372,209.25
	Government constructed ¹	66.6	3,285,469.52
1961	Purchaser constructed	1,707.8	34,472,578.08
	Government constructed ¹	74.8	5,283,597.17

¹ Timber access roads only.

Source: Division of Engineering, U.S. Forest Service, Portland, Oreg.

WELLS, NEV., April 11, 1962.

GEORGE H. FALLON,
Chairman of Subcommittee on Roads,
House Committee on Public Works, Washington, D.C.:

The city of Wells would like to go on record as being in favor of the passing of bill H.R. 10619; request this telegram be read at the hearing to be held April 12, 1962. Also request this telegram become part of the records.

MAYOR EUGENE H. PENGELLY,
City of Wells.

ELKO, NEV., April 11, 1962.

HON. GEORGE H. FALLON,
Member of Congress,
House Office Building., Washington, D.C.:

Urge that you enter in record of hearing on H.R. 10619 being conducted by your subcommittee, House Public Works Committee, our strong support this measure and appropriation for forest development roads it provides. Greater access to western forest lands urgently needed if recreational demands are to be fulfilled by Federal custodial lands.

ELKO CHAMBER OF COMMERCE.

ELY, NEV., April 11, 1962.

GEORGE H. FALLON,
Chairman, Subcommittee on Roads, House Committee on Public Works, House of Representatives, Washington, D.C.:

We heartily endorse H.R. 10619 because we feel that the sportsmen need better access to the wildlife and recreational areas. We request that our endorsement be made a part of the hearing record on H.R. 10619.

WHITE PINE FISH & GAME ASSOCIATION,
ALBERT A. STONE, *President.*

McCALL, IDAHO, April 17, 1962.

HON. GEORGE H. FALLON,
Chairman, Subcommittee on Roads, Public Works Committee, Washington, D.C.:

Request favorable consideration of legislation increasing authorization for forest development roads and ask that this telegram be made part of the record of the Subcommittee on Roads hearings on April 17 and 18.

ARTHUR M. ROBERTS,
Chairman, Village Board of Trustees.

WELLSVILLE MOUNTAIN AREA PROJECT CORP.,
Brigham City, Utah, April 13, 1962.

Chairman GEORGE H. FALLON,
*House Committee on Public Works,
Subcommittee on Roads,
Washington, D.C.*

DEAR CONGRESSMAN: We trust that during the hearings on House bill 9725 to be held April 17 and 18, that you will do everything possible to have appropriations increased for this bill.

We trust that this letter will be made a record of the hearings inasmuch as we feel that many of the roads in the Forest Service at the present time are entirely inadequate. Greater pressures and demands for recreational activities in our national forests are coming and we trust that you will accept the report, that the House bill mentioned above will be met with favor.

Respectfully,

A. FULLMER ALLRED, *President.*

UTAH STATE UNIVERSITY,
COLLEGE OF FOREST, RANGE, AND WILDLIFE MANAGEMENT,
Logan, Utah, April 13, 1962.

HON. GEORGE FALLON,
*Chairman, House Committee on Public Works, Subcommittee on Public Roads,
House of Representatives, Washington, D.C.*

DEAR CHAIRMAN FALLON: I am familiar with House bill 9725 regarding appropriations for road construction within the national forests. I would like to urge that this House bill be considered favorable, calling for an increase in appropriations for road construction over and above the well-established \$40 million. I believe this increase is not only desirable but necessary because of the increasing demands for more and better roads, particularly for recreation but also because construction costs are increasing at a rather uniform rate.

I would appreciate it if this letter could be a matter of record for the hearings to be held April 17 and 18.

Sincerely yours,

J. WHITNEY FLOYD, *Dean.*

WERER COUNTY,
Ogden, Utah, April 11, 1962.

Congressman GEORGE FALLON,
Chairman, Subcommittee for the House Committee on Public Works, 87th Congress,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FALLON: It is my understanding that your subcommittee will hold a hearing on April 17 and 18 on a proposal to increase the authorization for developing roads and trails on national forests. The National Association for County Officials has proposed an increase in authorizations from \$40 million to \$67.5 million for fiscal year 1963, \$90 million fiscal year 1964, and \$120 million for fiscal year 1965. This proposal has been included in a bill H.R. 10619.

While I cannot speak for NACO, I am on the executive committee of that organization and also on Secretary Freeman's Committee on Rural Area Development. I cannot presume to speak for this Committee either but, I should like to lend my full support to this proposal and hope that your subcommittee acts favorably. From my knowledge of the needs for roads and trails on the national forests to meet the needs of timber harvest, recreation, and many other uses, I believe these increases in authorizations are urgently needed. I should like to have this statement included in the record.

Yours truly,

WERER COUNTY COMMISSIONERS,
GEORGE T. FROST, *Chairman*.

KAMAS, UTAH, April 11, 1962.

HON. GEORGE H. FALLON,
Chairman, Subcommittee on Roads,
House of Representatives, Washington, D.C.

DEAR MR. FALLON: The undersigned are small timber operators in this northeastern part of Utah who are dependent entirely for the raw timber supplies by purchase from the national forests. We are small operators but have been in business in this area for many years. The country from which we get our timber supplies is generally rough and difficult of access. Providing roads into the timber sources has always been a problem with us and with the Forest Service.

Since our operations are small, it is economically impracticable for us in most instances to finance and construct roads from our own resources. The Forest Service has been providing access roads; but, since their funds are limited, they can only do this in part to meet the needs of our local industry.

We would, therefore, like to recommend to you and to your subcommittee that favorable consideration be given to the provisions of H.R. 9725, which would propose to increase the national forest road and trail authorization from the present \$40 million level to \$50 million in fiscal year 1963. We are sure that this increase would be of considerable benefit in generally providing additional access roads on national forests and would, in proportion to the increased funds, benefit our areas here in Utah.

Since the problem of access roads on national forests in this area is a continuing one, we would like to see your committee give favorable consideration to future increase in the Forest Service authorization to provide for more full development of timber as well as other resources which are of such great economic importance to our industry here and the communities that depend on use of the national forest resources.

We hope that you will see fit to include this letter in the record for any future hearings or discussions of this matter by your subcommittee.

Sincerely yours,

KAMAS VALLEY LUMBER Co.,
By WARD W. BLAZZARD.
GREYS RIVER LUMBER Co.,
By DALE J. LEAVITT.
BLAZZARD LUMBER Co.,
By J. H. BLAZZARD.

J. A. HOGLE & Co.,
Ogden, Utah, April 11, 1962.

Congressman GEORGE FALLON,
*Chairman, Subcommittee for the House Committee on Public Works, 87th Congress,
House of Representatives, Washington, D.C.*

DEAR CONGRESSMAN FALLON: It is my understanding that your subcommittee will hold a hearing on April 17 and 18 on a proposal to increase the authorization for developing roads and trails on national forests. The National Association for County Officials has proposed an increase in authorizations from \$40 million to \$67.5 million for fiscal year 1963, \$90 million for fiscal year 1964, and \$120 million for fiscal year 1965. This proposal has been included in a bill, H.R. 10619.

I should like to lend my full support to this proposal and hope that your subcommittee acts favorably. From my knowledge of the needs for roads and trails on the national forests to meet the needs of timber harvest, recreation, and many other uses, I believe these increases in authorizations are urgently needed. I should like to have this statement included in the record.

Very truly yours,

THEODORE G. SCHMIDT.

HOFF LUMBER CO.,
Horseshoe Bend, Idaho, April 9, 1962.

Hon. G. H. FALLON,
*Chairman, Subcommittee, House Public Works,
House of Representatives, Washington, D.C.*

HON. MR. FALLON: It is respectfully requested that you insert this letter as part of the record with regard to forest access roads in H.R. 9725. It is understood that you will hold hearings on this bill April 17 and 18, 1962. It is hoped the amount appropriated will be increased from \$40 million to \$50 million.

It is recognized that there is an immediate and longtime road problem that must be resolved. It is essential that forest access road funds be increased for the Federal agencies in Idaho this calendar year. It is a fact that a high level of good forest management cannot be attained until there are adequate systems of good forest access roads.

The economy of southern Idaho is dependent upon full employment of our labor force and maximum production by industries. Our economy depends almost 100 percent on Government-owned timber. Sustained yields of the Boise National Forest and Payette National Forest cannot be maintained without immediate construction of access roads.

Very truly yours,

THEODORE HOFF, Jr., Vice President.

WESTERN FORESTRY & CONSERVATION ASSOCIATION,
Portland, Oreg., April 14, 1962.

Hon. GEORGE H. FALLON,
*Chairman, Subcommittee, House Committee on Public Works,
House Office Building, Washington, D.C.*

DEAR CONGRESSMAN FALLON: Relative to the imminent hearings of your subcommittee on forest access roads, we respectfully request that the following remarks be given consideration by the subcommittee and entered into the record of such hearings.

Western Forestry & Conservation Association recognizes that basic to any sound program of timber utilization, as well as to an effective protection system, is an adequate forest access road system which will permit orderly harvest and salvage of current mortality. The association urges governmental agencies to make sufficient funds available to expedite completion of main line access roads on public commercial forest land. The association further urges prompt salvage of dead and dying timber.

As an example of the real need for acceleration of Federal forest access road construction, some 60 percent of the available commercial forest land in the national forests of Oregon and Washington is not yet fully developed with roads. This includes 40 percent of such land which is entirely undeveloped. Serious tree killing by insects in the intermountain region of the West has created a critical need for salvage in areas still inaccessible.

We are of the opinion that the current level of authorization for Federal forest access road construction is entirely inadequate to permit effective conservation and use of national forest resources. We urge Congress to authorize funds on the order of those called for in H.R. 10619 (Ullman, Oreg.).

Respectfully yours,

H. R. GLASCOCK, Jr., *Forest Counsel.*

