

APPROVED

TITLE OR OTHER IDENTIFICATION

H. R. 10660

To Amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

RECOMMENDATIONS

Bureau of the Budget -- approval

Department of Commerce -- approval

Department of the Treasury -- approval

Department of Labor -- approval

Departments of Agriculture, Justice, Defense, and Interior,
and Federal Civil Defense Administration and Small

Business Administration -- approval or no objection (informal)



Introduced by: Cong. George H. Fallon (D., Md.)

Coordinated by: Bureau of the Budget

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EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D. C.

L. B. Day
7/9/56

JUN 28 1956

My dear Mr. President:

On June 27, 1956, the Executive Clerk notified this office that H. R. 10660, "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes" had been received at the White House and requested reports and recommendations thereon.

The bill, the enactment of which was strongly urged by the Administration, authorizes a Federal-aid highway construction program extending over the next 13 fiscal years, beginning July 1, 1956. The program contemplates completion of the interstate system of highways, a major objective of the President's highway program. The system will connect our principal cities, and will be built to the highest modern standards.

Contract authorizations totaling \$24,825 million for interstate highways and \$1,850 million for the Federal primary, secondary, and urban systems are provided. Apportionment of funds to the States (including Alaska for the first time) will be by formulae prescribed in the bill. Matching of funds is required. In the case of interstate highway projects, the Federal share is to be 90 percent and the State share 10 percent. Equal matching is required in the case of primary, secondary, and urban systems.

The Federal cost is to be defrayed by the imposition of new and increased highway related taxes. The increases in the taxes on gasoline and tires are the outstanding examples.

The bill also includes contract authorizations totaling \$208 million for accelerating the construction of adequate roads in our national parks and forests.

The Bureau of the Budget has prepared the attached analysis of the major features of the bill.

The Departments of Commerce, Justice, Agriculture, Treasury, Labor, Defense and Interior, the Federal Civil Defense Administration and the Small Business Administration, in advices informally presented to this office either recommend approval of the bill or interpose no objection to approval.

The Bureau of the Budget recommends that the measure be approved.

Respectfully yours,

Roger W. Jones
Assistant Director for
Legislative Reference



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The White House

Enclosures



THE SECRETARY OF COMMERCE
WASHINGTON 25

June 28, 1956

The Honorable
The Director
Bureau of the Budget
Washington, D. C.



Dear Mr. Director:

This letter is in reply to your request of June 27, 1956, for the views of this Department concerning H. R. 10660, an enrolled enactment

"To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

A brief summary of the provisions of the enactment is contained in the attached statement.

In general, Title I of the enactment, which would be cited as the Federal-Aid Highway Act of 1956, authorizes the total of \$24,825,000,000 for the Interstate System for the 13-year period beginning with the fiscal year 1957. Of this amount, the additional sum of \$1,000,000,000 is authorized for the fiscal year 1957, to be apportioned immediately upon enactment of the Act. The funds authorized for the first three years would be apportioned under the formula provided by existing law. The apportionments for the remaining years would be made under a cost-of-completion formula based on periodic revised estimates. The funds would be expended on a 90-10 Federal-State matching basis.

The additional sum of \$125 million, to be apportioned immediately, is provided for the fiscal year 1957, \$850 million for the fiscal year 1958, and \$875 million for the fiscal year 1959, to carry on the regular Federal-aid primary, secondary, and urban programs. The Territory of Alaska, for the first time, will receive the benefit of the Federal-aid primary, secondary, and urban funds.

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Additional authorizations at increased annual rates are also provided for continuation of programs for forest highways, forest development roads and trails, park roads, parkways, Indian roads, and public lands highways.

Title I also contains certain new provisions to facilitate carrying out the program, such as permissive authority for 20-percent transfers of the primary, secondary, and urban funds; Federal acquisition of rights-of-way for the Interstate System, if requested and required; and provisions to facilitate advance acquisition of rights-of-way in the most economical manner. The Secretary of Commerce would be directed to make studies and to submit reports to Congress on progress made under the program and on other important aspects, including highway safety.

Title II of the enactment provides for increased revenues which would be appropriated to a Highway Trust Fund to finance the Federal-aid and Interstate program.

The enactment fulfills the basic objectives of the President, namely, it will provide authorizations for modernization and completion of an integrated national highway system, and a responsible plan of financing without incurring budget deficits. The enlarged program, which will overcome the seriously growing backlog of highway deficiencies, is considered vital to the long-pressing transportation needs of the Nation and will serve to benefit the whole economy. It will also serve the national defense.

The Department recommends that the President approve this enrolled enactment.

If we can be of further assistance in this matter, please call on us.

Sincerely yours,

Archibald H. Hays

Secretary of Commerce



Enclosure

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SUMMARY OF PROVISIONS OF THE
FEDERAL-AID HIGHWAY ACT OF 1956



TITLE I--FEDERAL-AID HIGHWAY ACT OF 1956

SEC. 101. SHORT TITLE FOR TITLE I.

This title may be cited as the "Federal-Aid Highway Act of 1956".

SEC. 102. FEDERAL-AID HIGHWAYS.

This section authorizes for the Federal-aid primary and secondary systems and extensions thereof within urban areas the following:

\$125 million additional for fiscal 1957
\$850 million for fiscal 1958
\$875 million for fiscal 1959

The existing 45--30--25 ratio in the distribution of funds, as well as the existing apportionment formula for the three categories, is retained. The additional \$125 million for fiscal 1957 is to be apportioned immediately upon enactment of the Act. Attached is a table showing the apportionment to each State of the additional Federal-aid funds authorized for the fiscal year 1957.

These authorizations are available for expenditure in line with existing provisions of law applicable to the three categories of funds. However, any State is authorized to transfer up to 20 percent of its apportionment under any of the three categories, which is an increase from the 10-percent provision under existing law. The 20-percent transfer provision does not apply to the Interstate funds.

SEC. 103. FOREST HIGHWAYS AND FOREST DEVELOPMENT ROADS AND TRAILS.

This section authorizes, for each of the fiscal years 1958 and 1959, \$30 million for forest highways and \$27 million for forest development roads and trails. These funds shall also be available for adjacent vehicular parking areas and for sanitary, water, and fire control facilities. The existing apportionment requirement regarding forest development road funds is repealed. Such repeal, however, makes no change in the existing method of expending the funds which is on the basis of relative needs.

SEC. 104. ROADS AND TRAILS IN NATIONAL PARKS, ETC.

This section authorizes for each of the fiscal years 1958 and 1959 \$16 million for park roads; \$16 million for parkways; and \$12 million for Indian roads.

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SEC. 105. PUBLIC LANDS HIGHWAYS.

This section authorizes the additional sum of \$2 million for the fiscal year 1957, and the sum of \$2 million for each of the fiscal years 1958 and 1959 for public lands highways.

SEC. 106. SPECIAL PROVISIONS FOR FEDERAL DOMAIN ROADS, ETC.

This section provides that the funds authorized for forest highways, forest development roads, park roads, parkways, Indian roads, and public lands highways shall be available for contract upon apportionment, or a date not earlier than one year preceding the beginning of the fiscal year for which authorized if no apportionment is required.

SEC. 107. HIGHWAYS FOR ALASKA.

This section provides for participation by Alaska in the apportionments of funds authorized in the Act, or hereafter authorized, for expenditure on the Federal-aid primary and secondary systems and extensions thereof in urban areas. The inclusion of Alaska in the Federal-aid highway program is subject to the following provisions:

(1) Only one-third of the area of Alaska will be used as the area factor in the formula now in effect for purposes of apportionment of funds;

(2) Alaska is to contribute for each fiscal year funds in an amount not less than 10 percent of the Federal funds apportioned to it for that year;

(3) The system or systems of roads on which the apportionments are to be expended are to be determined and agreed upon by the Governor of Alaska, the Territorial highway engineer of Alaska, and the Secretary of Commerce;

(4) The Federal funds and the funds contributed by Alaska may be expended by the Secretary of Commerce either directly or in cooperation with the Territorial Board of Road Commissioners of Alaska, and may be expended separately or in combination and without regard to the matching provisions of the Federal Highway Act of 1921; and

(5) The funds may be expended for both the construction and the maintenance of roads within the systems agreed upon.

The Act provides for the transfer to the Department of Commerce from the Department of the Interior of its functions pertaining to roads in Alaska, to be effective within 90 days after approval of the Act.

SEC. 108. NATIONAL SYSTEM OF INTERSTATE AND DEFENSE HIGHWAYS

This section changes the name of the "National System of Interstate Highways" to the "National System of Interstate and Defense Highways", which is referred to in the Act as the "Interstate System". It declares the intent of Congress that the Interstate System be completed as nearly as practicable over a 13-year period.

This section provides authorizations for the Interstate System for the 13-year period beginning July 1, 1956, and ending June 30, 1969, as follows:

<u>Fiscal year</u>	<u>Authorization</u>
1957	<u>1/</u> \$ 1,000,000,000
1958	1,700,000,000
1959	2,000,000,000
1960	2,200,000,000
1961	2,200,000,000
1962	2,200,000,000
1963	2,200,000,000
1964	2,200,000,000
1965	2,200,000,000
1966	2,200,000,000
1967	2,200,000,000
1968	1,500,000,000
1969	<u>1,025,000,000</u>

Total - - - - - \$ 24,825,000,000

1/ In addition to the \$175 million already authorized for 1957.

The attached table also shows the apportionment to each State of the additional Interstate funds authorized for the fiscal year 1957.

The additional sum authorized for 1957 is to be apportioned immediately upon enactment of the Act. The sums authorized for the fiscal years 1958 and 1959 are to be apportioned at least six months, but not more than twelve months, in advance of the beginning of the fiscal year for which authorized. The sums authorized for the subsequent years are to be apportioned on a date as far in advance of the beginning of the fiscal year for which authorized as practicable but in no case more than eighteen months.

The existing apportionment formula is to be used in the apportionments for 1957, 1958, and 1959. For each of the remaining ten years, the funds will be apportioned, under a cost of completion formula, in the ratio which the estimated cost of completing the Interstate System in each State bears to the estimated total cost of completing the Interstate System in all of the States, based on periodic revised estimates which shall be subject to review by

Congress. No apportionment for any of the remaining ten years is to be made until the estimate of costs applicable for purposes of such apportionment has been approved by the Senate and House of Representatives by concurrent resolution.

This section provides for 90-10 Federal-State matching, with the existing sliding scale for the public lands States retained but subject to a maximum Federal contribution of 95 percent. The sums apportioned shall be available for expenditure for two years after the close of the fiscal year for which authorized. Any amount unexpended at the end of such period shall lapse and shall be immediately reapportioned among the other States.

If any State has obligated all of the Interstate funds apportioned to it and, subsequent to the date of enactment of the Act, proceeds to construct additional projects on the Interstate System without the use of Federal funds but in accordance with all procedures and requirements applicable to the Interstate projects, the Secretary of Commerce is authorized to pay the Federal share of the cost of such projects whenever additional funds are apportioned to the State.

The geometric and construction standards for the Interstate System shall be approved by the Secretary of Commerce in cooperation with the State highway departments and shall be adequate to accommodate traffic forecast for the year 1975.

Apportionment of Interstate funds to any State is prohibited if such State permits the Interstate System to be used by vehicles with weight in excess of 18,000 pounds per axle, or a tandem axle weight in excess of 32,000 pounds, or with an overall gross weight in excess of 73,280 pounds, or a width in excess of 96 inches, or the corresponding maximum weights or widths permitted under State laws or regulations in effect on July 1, 1956, whichever is greater. The prohibition does not affect any vehicles that could be lawfully operated on July 1, 1956. It directs the Secretary of Commerce to expedite a series of tests by the Highway Research Board on maximum desirable dimensions and weights, and to report to Congress by March 1, 1959.

The limit on the mileage which may be designated on the Interstate System is increased by 1,000 miles (from 40,000 miles to 41,000 miles). The additional 1,000 miles shall be excluded in making the estimates of cost for completing the Interstate System.

SEC. 109. ACQUISITION OF RIGHTS-OF-WAY FOR INTERSTATE SYSTEM.

Subject to certain prescribed conditions, this section authorizes the Secretary of Commerce, when requested by a State, to acquire rights-of-way, including control of access, for the Interstate System. Such rights-of-way would be later deeded back to the States. Whenever rights-of-way on the Interstate System are required over the public lands of the United States, the Secretary of Commerce may make necessary arrangements with the agency having jurisdiction for rights-of-way and control of access.

SEC. 110. AVAILABILITY OF FUNDS TO ACQUIRE RIGHTS-OF-WAY AND TO MAKE ADVANCES TO THE STATES.

To facilitate the acquisition of rights-of-way in a most expeditious and economical manner, this section authorizes the Secretary of Commerce to make the apportioned Federal-aid funds available for acquisition of rights-of-way in anticipation of construction which is to follow within five years. This section also provides for making advances to a State to enable it to make prompt payments for construction as it progresses or to purchase the needed rights-of-way.

SEC. 111. RELOCATION OF UTILITY FACILITIES.

This section authorizes the use of Federal funds to reimburse a State, in the Federal pro rata share, for the cost of relocation of utility facilities necessitated by the construction of a project on any of the Federal-aid systems, including the Interstate System, whenever the State shall pay for such cost. Federal funds shall not be apportioned to any State if the payment to the utility violates the law of the State or a legal contract between the utility and the State.

SEC. 112. AGREEMENTS RELATING TO THE USE OF AND ACCESS TO RIGHTS-OF-WAY.

This section provides that agreements between the Secretary of Commerce and the State highway departments for Interstate projects shall contain a clause providing for no additional points of access to, or exit from, the project without prior approval of the Secretary. Such agreements shall also contain a clause precluding automotive service stations or other commercial establishments from being constructed or located on the rights-of-way. The agreements may, however, permit a State to use the air space above or below the established grade line of the highway pavement for the parking of motor vehicles if such use does not interfere with the free flow of traffic on the Interstate System.

SEC. 113. TOLL ROADS, BRIDGES, AND TUNNELS.

To promote the development of an integrated Interstate System, the Secretary of Commerce is authorized to approve as part of the Interstate System any toll road, bridge, or tunnel, now or hereafter constructed which meets the requirements. It authorizes funds under this Act or prior Acts to be available for expenditure, subject to certain conditions, on projects approaching any toll road, bridge, or tunnel.

SEC. 114. DETERMINATION OF POLICY WITH RESPECT TO REIMBURSEMENT FOR CERTAIN HIGHWAYS.

This section declares the intent and policy on the part of Congress to determine whether or not the Federal Government should



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equitably reimburse any State for toll or free highways constructed during a specified period to the required standards, and to submit a report to Congress within ten days subsequent to January 2, 1958.

SEC. 115. PREVAILING RATE OF WAGE.

This section directs the Secretary of Commerce to take such action as may be necessary to insure that the Davis-Bacon Act is applied to Interstate projects. Under this provision, the wages shall not be less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor.

In carrying out this section, the Secretary of Labor is required to consult with the State highway departments and to give due regard to the information thus obtained in making his predetermination of the minimum wages to be paid.

SEC. 116. DECLARATIONS OF POLICY WITH RESPECT TO FEDERAL-AID HIGHWAY PROGRAM.

This section declares the policy of Congress regarding acceleration of the Federal-aid highway program and completion of the Interstate System. It directs the Secretary of Commerce to submit a progress report to Congress by February 1, 1959.

This section requires that any State highway department submitting plans for a Federal-aid highway project involving the bypassing of, or going through, any city, town, or village, either incorporated or unincorporated, to certify to the Commissioner of Public Roads that it has had public hearings, or has afforded the opportunity for such hearings, and has considered the economic effects of the location. A transcript of such hearings is to be submitted to the Commissioner of Public Roads, together with the certification.

This section also contains a declaration of policy to encourage the participation of small business enterprises in the construction of the Federal-aid highway systems, including the Interstate System. It provides that the Secretary of Commerce should assist, insofar as feasible, small business enterprises in obtaining contracts in connection with the program.

SEC. 117. HIGHWAY SAFETY STUDY.

This section authorizes and directs the Secretary of Commerce to make a full and complete investigation and study for the purpose of determining what action can be taken by the Federal Government to increase highway safety, and to submit a report to Congress by March 1, 1959.

SEC. 118. EMERGENCY FUND.

This section increases the present \$10 million annual emergency fund authorization to \$30 million for the repair and

reconstruction of highways and bridges on the Federal-aid systems damaged by disaster. The funds authorized would be available for any project programed and approved during the fiscal year 1956, and thereafter.

SEC. 119. DEFINITION OF CONSTRUCTION.

This section broadens the definition of the term "construction" to include the establishment of temporary and permanent geodetic markers in accordance with the specifications of the Coast and Geodetic Survey.

SEC. 120. ARCHEOLOGICAL AND PALEONTOLOGICAL SALVAGE.

This section permits Federal funds to be used for archeological and paleontological salvage in compliance with the Act approved June 8, 1906, and State laws where applicable.

SEC. 121. MAPPING.

This section provides that the Secretary of Commerce may, wherever practicable, authorize the use of photogrammetric methods in mapping and the utilization of commercial enterprise for such services.

SEC. 122. RELATIONSHIP OF THIS TITLE TO OTHER ACTS: EFFECTIVE DATE.

All provisions of existing Federal-aid highway legislation not inconsistent with this title shall remain in full force and effect, and inconsistent provisions are repealed. This title (Title I) takes effect on the date of enactment of the Act.

Attachment



APPORTIONMENT OF ADDITIONAL FEDERAL-AID HIGHWAY FUNDS AUTHORIZED

FOR THE FISCAL YEAR 1957

BY THE FEDERAL-AID HIGHWAY ACT OF 1956

State	Primary highway system (\$56,250,000)	Secondary or feeder roads (\$37,500,000)	Urban highways (\$31,250,000)	Sub-total (\$125,000,000)	Interstate system			Total (\$1,125,000,000)
					Population basis (\$500,000,000)	Section 21 (\$500,000,000)	Sub-total (\$1,000,000,000)	
Alabama	\$1,176,420	\$916,399	\$411,806	\$2,504,625	\$9,572,116	\$10,742,707	\$20,314,823	\$22,819,448
Arizona	818,283	557,800	122,262	1,498,345	3,750,000	7,710,214	11,460,214	12,958,559
Arkansas	933,996	750,036	175,838	1,859,870	5,969,822	8,560,357	14,530,179	16,390,049
California	2,596,543	1,331,156	2,794,130	6,721,829	33,096,361	23,931,785	57,028,146	63,749,975
Colorado	1,023,948	683,841	261,238	1,969,027	4,142,707	9,526,002	13,668,709	15,637,736
Connecticut	369,269	187,500	608,756	1,165,525	6,275,483	3,353,409	9,628,892	10,794,417
Delaware	281,250	187,500	64,464	533,214	3,750,000	2,500,000	6,250,000	6,783,214
Florida	905,278	591,278	563,631	2,060,187	8,664,102	8,337,859	17,001,961	19,062,148
Georgia	1,373,436	1,053,003	458,090	2,884,529	10,768,997	12,534,777	23,303,774	26,188,303
Idaho	680,377	479,483	60,494	1,220,354	3,750,000	6,372,547	10,122,547	11,342,901
Illinois	2,189,083	1,189,296	2,198,233	5,576,612	27,237,413	19,911,419	47,148,832	52,725,444
Indiana	1,324,123	913,252	751,991	2,989,366	12,299,807	12,026,877	24,326,684	27,316,050
Iowa	1,342,197	984,752	373,166	2,700,115	8,194,422	12,231,862	20,426,284	23,126,399
Kansas	1,329,282	932,604	295,434	2,557,320	5,956,654	12,191,022	18,147,676	20,704,996
Kentucky	1,047,235	870,604	326,422	2,244,261	9,206,529	9,548,328	18,754,857	20,999,118
Louisiana	884,426	640,407	460,765	1,985,598	8,389,641	8,116,072	16,505,713	18,491,311
Maine	465,906	334,070	131,369	931,345	3,750,000	4,292,145	8,042,145	8,973,490
Maryland	513,684	314,353	533,468	1,361,505	7,325,068	4,668,847	11,993,915	13,355,420
Massachusetts	735,453	275,087	1,308,300	2,318,840	14,664,243	6,685,662	21,349,905	23,668,745
Michigan	1,759,032	1,071,828	1,462,951	4,293,811	19,920,445	16,031,778	35,952,223	40,246,034
Minnesota	1,439,967	1,018,127	511,845	2,969,939	9,324,320	13,205,844	22,530,164	25,500,103
Mississippi	989,870	830,097	174,028	1,993,995	6,812,073	9,046,405	15,858,478	17,852,473
Missouri	1,613,169	1,091,775	774,104	3,479,048	12,363,675	14,722,819	27,086,494	30,565,542
Montana	1,131,017	778,383	74,016	1,983,416	3,750,000	10,614,040	14,364,040	16,347,456
Nebraska	1,109,283	786,745	184,354	2,080,382	4,144,024	10,197,446	14,341,470	16,421,852
Nevada	706,600	472,305	23,939	1,202,844	3,750,000	6,690,057	10,440,057	11,642,901
New Hampshire	281,250	187,500	93,087	561,837	3,750,000	2,500,000	6,250,000	6,811,837
New Jersey	746,588	252,837	1,375,976	2,375,401	15,116,987	6,786,395	21,903,382	24,278,783
New Mexico	891,690	613,357	103,158	1,608,205	3,750,000	8,391,101	12,141,101	13,749,306
New York	2,695,911	1,080,116	4,201,412	7,977,439	46,364,543	24,529,240	70,893,783	78,871,222
North Carolina	1,403,519	1,201,597	403,913	3,009,029	12,699,059	12,794,098	25,493,157	28,502,186
North Dakota	792,960	578,022	53,150	1,424,132	3,750,000	7,335,704	11,085,704	12,509,836
Ohio	1,979,661	1,202,614	1,818,957	5,001,232	24,844,030	17,974,805	42,818,835	47,820,067
Oklahoma	1,189,887	853,646	343,412	2,386,945	6,982,263	10,909,674	17,891,937	20,278,882
Oregon	947,228	662,937	252,043	1,862,208	4,756,262	8,819,493	13,575,755	15,437,963
Pennsylvania	2,287,698	1,363,400	2,379,601	6,030,699	32,820,582	20,787,949	53,608,531	59,639,230
Rhode Island	281,250	187,500	224,702	693,452	3,750,000	2,500,000	6,250,000	6,943,452
South Carolina	748,024	622,975	216,223	1,587,222	6,618,592	6,827,896	13,446,488	15,033,710
South Dakota	845,821	606,404	61,052	1,513,277	3,750,000	7,830,202	11,580,202	13,093,479
Tennessee	1,218,531	952,056	454,534	2,625,121	10,291,101	11,091,631	21,382,732	24,007,853
Texas	3,616,941	2,421,657	1,505,839	7,544,437	24,107,981	33,364,199	57,472,180	65,016,617
Utah	637,239	421,411	133,190	1,191,840	3,750,000	5,993,469	9,743,469	10,935,309
Vermont	281,250	187,500	48,942	517,692	3,750,000	2,500,000	6,250,000	6,767,692
Virginia	1,032,100	841,419	490,159	2,413,678	10,375,394	9,868,126	20,243,520	22,657,198
Washington	934,398	624,062	474,282	2,032,742	7,437,499	8,623,402	16,060,901	18,093,643
West Virginia	618,241	539,384	204,569	1,362,194	6,270,081	5,642,908	11,912,989	13,275,183
Wisconsin	1,318,926	921,067	615,518	2,855,511	10,737,724	12,038,302	22,776,026	25,631,537
Wyoming	705,623	478,267	34,177	1,218,067	3,750,000	6,641,126	10,391,126	11,609,193
Hawaii	281,250	187,500	105,698	574,448				574,448
Dist. of Col.	281,250	187,500	271,551	740,301	3,750,000	2,500,000	6,250,000	6,990,301
Puerto Rico	295,119	309,096	270,186	874,401				874,401
Alaska	1,148,518	774,495	9,575	1,932,588				1,932,588

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COMM-DC-47387

June 27, 1956

Major features of enrolled highway bill, H. R. 10660

Title I - Federal-Aid Highway Act of 1956

1. New obligational authority (contract authorizations in millions)

Federal-aid systems

<u>Fiscal year</u>	<u>Interstate</u>	<u>Primary, secondary, urban</u>
1957	\$1,000 ^{1/}	\$125 ^{1/}
1958	1,700	850
1959	2,000	875
1960	2,200	-
1961	2,200	-
1962	2,200	-
1963	2,200	-
1964	2,200	-
1965	2,200	-
1966	2,200	-
1967	2,200	-
1968	1,500	-
1969	1,025	-
Total	\$24,825	\$1,850

^{1/} In addition to the \$700 million for the primary, secondary and urban systems, and the \$175 million for the interstate system already made available by the 1954 Highway Act.

Direct Federal programs

<u>Programs</u>	<u>Contract authorizations for each of the years 1958 and 1959</u>	<u>Total</u>
Forest highways (Commerce)	\$30	\$60
Forest roads and trails (Agriculture)	27	54
Park roads and trails (Interior)	16	32
Parkways (Interior)	16	32
Indian roads (Interior)	12 ^{1/}	24
Public lands (Commerce)	2 ^{1/}	6
Total	\$103	\$208

^{1/} In addition, \$2 million is authorized for 1957.

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Summary

Federal-aid systems

Interstate	\$24,825
Primary, secondary, urban	1,850
<u>Direct Federal programs</u>	<u>208</u>
Total Federal share	26,883

State matching funds required (approx.)

Interstate	2,766
Primary, secondary, urban	1,850
Total authorized program	\$31,499



2. Matching formula

Interstate - Federal 90%; State 10%.

Primary, urban, and secondary - Federal 50%; State 50%.

(On both systems the Federal share is increased on a sliding scale basis in States with large areas of public lands. On interstate the maximum Federal share is set at 95%.)

3. Method for apportioning funds among the States

Interstate-- Authorizations for the years 1957, 1958, 1959 to be apportioned 2/3 on basis of population; 1/6 on area; 1/6 on road mileage. Authorizations for the years 1960 through 1969 to be apportioned on basis of the ratio of the estimated cost of completing the system in each State to the total cost of completing the system in all States. Cost estimates are to be made by Secretary of Commerce, in cooperation with States and must be approved by Congress.

Primary, secondary, and urban - Present formulas based on population, post roads, and area are continued.

4. Interstate mileage increase

The present statutory limit on the interstate system is increased from 40,000 to 41,000. However, the additional 1,000 miles are not to be considered by the Secretary of Commerce in his estimates of the cost to complete the system.

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5. Interstate standards

Standards are those "approved by the Secretary of Commerce in cooperation with State highway departments", and must be adequate to accomodate traffic forecast for the year 1975.

6. Acquisition of interstate system rights-of-way

The Secretary of Commerce, upon request of any State, may acquire land needed for interstate system projects. The cost would be charged against the State's Federal-aid funds. The Secretary is also authorized to advance Federal-aid funds to States for right-of-way acquisition.

7. Alaska highways

Alaska is to be apportioned primary, secondary, and urban funds on same basis as States except that only 1/3 of the Territory's area is to be used in computing its share under the formula. Alaska must contribute annually an amount equal to 10% of the funds apportioned to it. Alaska highway functions of Interior are to be transferred to the Secretary of Commerce who may expend the Federal funds and those contributed by Alaska either directly or in cooperation with the Territorial Board of Road Commissioners.

8. Policy on reimbursement of States for certain highways

Congressional intent is expressed "to determine" whether or not States should be reimbursed for toll or free interstate highways constructed during the period August 2, 1947, through June 30, 1957, provided the highways meet interstate standards. Secretary of Commerce is directed to study this matter generally and report to Congress in January 1958.

9. Relocation of utility facilities

Whenever States, pursuant to their laws, pay utilities for the cost of relocating facilities required by a highway project, Federal-aid funds may be used to reimburse the State for those costs in the proportion that Federal funds are expended on the highway project. (Note: This provision merely confirms present Bureau of Public Roads policy under existing law.)



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10. Prevailing wage rates

Secretary of Commerce must take action to assure that workers employed by contractors on Federal-aid projects are paid at rates prevailing in the area as determined by the Secretary of Labor under the Davis-Bacon Act. The Secretary of Labor, in determining prevailing wages, must consult with State highway departments and give "due regard" to the information they supply.

11. Highway safety study

The Secretary of Commerce is directed to make a comprehensive study to determine what action the Federal Government can take to increase highway safety, and to report his findings and recommendations to Congress by March 1, 1959.

12. Weight and width limitations

Federal-aid funds would be denied to any State which permits vehicles to use the interstate system which exceed weight and width limits specified in the bill, or the legal limits in any State as of July 1, 1956. The Secretary of Commerce is directed to submit to Congress by March 1, 1959, recommendations on maximum size and weight limits.

13. Participation by small business

The Secretary of Commerce "should assist, insofar as feasible," small business in getting Federal-aid highway contracts.

Title II - The Highway Revenue Act of 1956

1. New and increased taxes

	<u>Tax unit</u>	<u>Present rate</u>	<u>New rate</u>	<u>Total estimated yield 1957 - 1972 (in millions)</u>
Gasoline	Gallon	2¢	3¢	\$28,856
Diesel and special motor fuels	Gallon	2¢	3¢	786
Tires	Pound	5¢	8¢	5,497
Tread rubber	Pound	-	3¢	180
Trucks, busses, trailers	Mfrs. price	8%	10%	2,313
Use tax on vehicles	Ea. 1,000 lbs. of vehicles weighing over 26,000 lbs.	-	\$1.50	866
Total				<u>\$38,498</u>

Exemptions are granted for certain non-highway uses.

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2. Highway trust fund

A new Highway Trust Fund is created into which the taxes listed above would automatically be allocated during the period July 1, 1956, through June 30, 1972. (Except that revenues from the present 5¢ rate on tires and 3/8 of the 8% tax on trucks and busses will not be allocated to the Fund until July 1, 1957.) During that 16-year period, the Trust Fund will be available, as provided in appropriation acts, for making expenditures under the Federal-aid highway program. Additional appropriations to the Trust Fund are authorized in the event expenditures exceed available revenues.

3. Phasing provision (administration amendment)

To reduce the possibility of Trust Fund deficits, allocations to the States of Federal-aid funds are to be timed so that estimated highway expenditures will in no year exceed estimated revenues available in the Trust Fund.



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U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

JUN 28 1956

The Honorable Percival F. Brundage
Director, Bureau of the Budget
Executive Office of the President
Washington 25, D. C.



Dear Mr. Brundage:

This is in response to Mr. Jones' request for my comments on the enrolled enactment of H.R. 10660, an Act "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

I fully endorse enactment of this legislation, which will carry out the recommendation contained in the President's Message to Congress on February 22, 1955, for a program to improve our highways so that they will be more fitted to meet the Nation's requirements.

The Department of Labor is most directly concerned with those provisions of H.R. 10660 requiring the payment of not less than the prevailing wage rates, as determined under the Davis-Bacon Act, on highway projects on the Interstate System. This provision, which will safeguard the labor standards of laborers and mechanics employed on construction of the Interstate System, has my wholehearted approval.

Sincerely yours,

Arthur Larson

Acting Secretary of Labor

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SMALL BUSINESS ADMINISTRATION
WASHINGTON 25, D. C.

OFFICE OF THE ADMINISTRATOR

HR 10660
6/24/56



JUL -6 1956

Mr. Roger W. Jones, Assistant Director
for Legislative Reference
Executive Office of the President
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Jones:

Reference is made to your letter of June 27, 1956, in which you request the views and comments of this Agency on enrolled bill H. R. 10660, a bill "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

We take this opportunity to comment on the Davis-Bacon provisions in this bill. Since employees working on construction of the interstate highway system would be subject to the provisions of the Fair Labor Standards Act, we are of the opinion that the Davis-Bacon provisions are unnecessary and will, in all probability, increase the cost of the highway program for both the Federal Government and the State governments. It also appears that the inclusion of the Davis-Bacon provisions will place those employees working on the interstate highway system in a better position than other employees of the same type who are working in that area on projects not subject to this bill. However, we realize that the purposes as set forth in the bill are an important part of the Administration's program. We therefore recommend the signing of H. R. 10660.

Sincerely yours,

Wendell B. Barnes
Administrator

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON 25, D. C.



JUN 29 1956

My dear Mr. Brundage:

This responds to your request for the views of this Department on the enrolled bill H. R. 10660, "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

We recommend that the enrolled bill be approved by the President.

Apart from our general interest in this legislation which is designed to stimulate the construction of needed highway facilities, we have a special interest in the manner in which the bill would meet the expanding demands for highway facilities in those areas under the jurisdiction of the Department of the Interior and for which the Department of the Interior has a particular responsibility.

Section 104 would authorize annual appropriations for fiscal years 1958 and 1959 for the construction, reconstruction and improvement of (a) roads, trails, bridges and approach roads in national parks and monuments in the amount of \$16,000,000; (b) parkways in the amount of \$16,000,000; and (c) Indian reservation roads and bridges to provide access to Indian reservations and Indian lands in the amount of \$12,000,000. We favor the authorization for appropriations with respect to roads to provide access to Indian reservations and Indian lands since it will permit much needed road construction and improvement on such lands. The authorization with respect to park roads and trails, and parkways are in the same amount as those which were recommended as part of the Mission 66 program as being necessary to provide expanded and improved national park and monument facilities. However, it should be noted that subsections (a) and (b) of section 104 fail to conform with the Mission 66 program in that they provide authorizations for appropriations for fiscal years 1958 and 1959 only, and Mission 66 has been proposed, after careful deliberation, as a 10-year program.

Section 107 of the enrolled bill provides for participation by Alaska in the Federal-aid highway program, and for the transfer

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of all highway functions and personnel from the Department of the Interior to the Department of Commerce. We are of the view that this provision will be beneficial to Alaska since it will furnish the means for an expanded highway construction program in the Territory.

Sincerely yours,

Wesley A. Stewart
Assistant Secretary of the Interior

Hon. Percival F. Brundage
Director, Bureau of the Budget
Washington 25, D. C.



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DEPARTMENT OF AGRICULTURE
WASHINGTON

June 26 1956

Honorable Percival F. Brundage
Director, Bureau of the Budget



Dear Mr. Brundage:

In reply to the request of your office, the following report is submitted on the enrolled enactment of HR 10660, "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes". The bill provides for authorizations of appropriations for highways and for additional revenues from taxes on motor fuels, tires and trucks and buses.

This Department recommends that the President approve the bill.

This Department is directly concerned with Title I, Section 103 of HR 10660. Sub-section "a" of Section 103 would authorize the appropriation of \$30,000,000 for Forest Highways and \$27,000,000 for forest roads and trails for the fiscal year ending June 30, 1958 and like sums for the fiscal year ending June 30, 1959. Forest Highways, while administered by the Department of Commerce, are the trunk routes of the national forest transportation system and therefore are highly important adjuncts to national forest administration, as well as for service to the people who travel through the national forests.

Forest development roads and trails are of primary importance for the protection, administration and utilization of the national forests. They are a responsibility of this Department. The authorized funds, if appropriated, will enable the Department to perform essential maintenance on the forest development road system and make orderly progress in overcoming critical deficiencies in the roads and trails required for national forest protection, timber and other resource utilization.

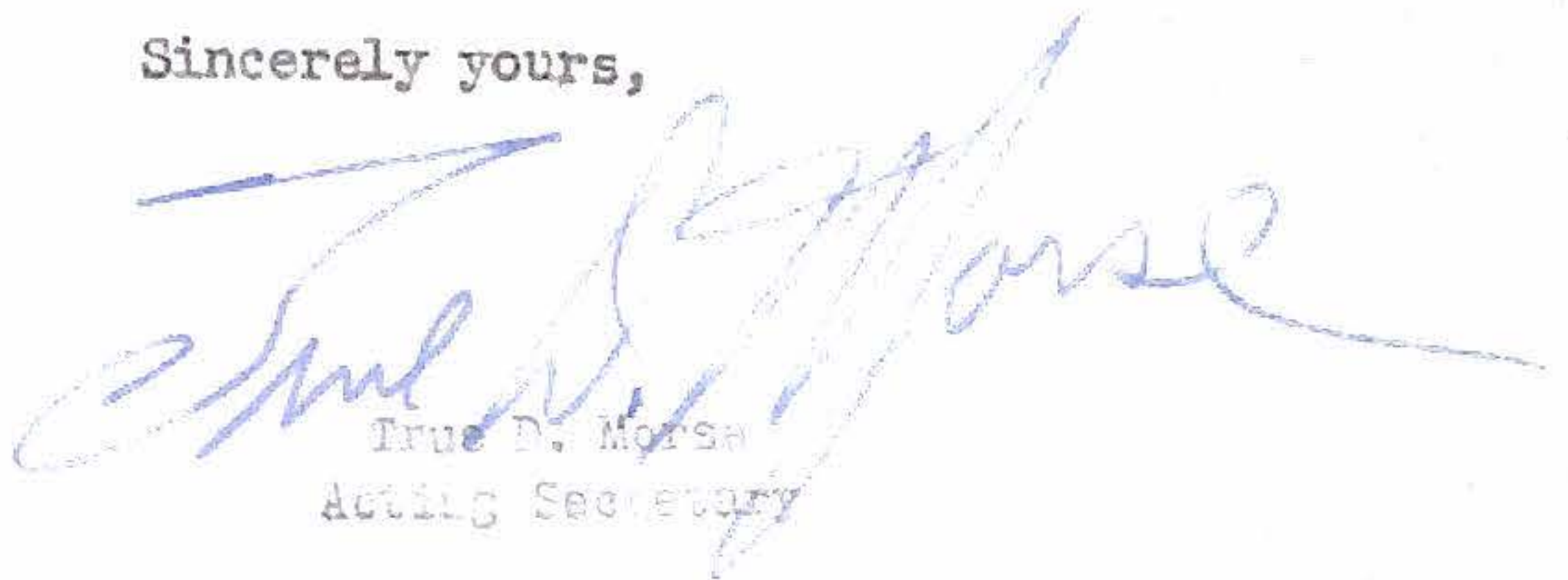
Sub-section "b" of Section 103 would eliminate the necessity for apportioning funds authorized for forest development roads among the several states. Section 23 of the Federal Aid Highway Act (42 Stat. 218) provides that funds for forest development roads

2-Honorable Percival F. Brundage-

and trails shall be expended according to the relative needs of the various national forests. Since expenditures are made on the basis of relative needs, apportionments based on determinations of these needs serve no useful purpose, whereas the paper work involved in making and revising apportionments and necessary accounting related thereto is a burden and expense at Bureau and Department levels.

Section 109d authorizes the Secretary of Commerce to make arrangements with the agency having jurisdiction over public lands as may be necessary to give states and others, adequate rights of way and control of access thereto from adjoining lands and directs the agency to cooperate with the Secretary of Commerce. This Department would be directly concerned with rights of way through national forest lands.

Sincerely yours,



True D. Morse
Acting Secretary



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TREASURY DEPARTMENT

WASHINGTON

JUN 28 1956

Sir:

Reference is made to your request for the views of the Treasury Department on the enrolled enactment of H.R. 10660, "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

The Department recommends that the enrolled enactment be approved by the President.

Very truly yours,

A handwritten signature in blue ink, reading "W. Randolph Burgess", is written over the typed name.

Acting Secretary of the Treasury



The Director

Bureau of the Budget

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DEPARTMENT OF THE ARMY
WASHINGTON 25, D. C.

IN REPLY REFER TO:

JUN 28 1956

Honorable Percival F. Brundage
Director, Bureau of the Budget



Dear Mr. Brundage:

The Secretary of Defense has delegated to the Department of the Army the responsibility for reporting the views of the Department of Defense on enrolled enactment H.R. 10660, 84th Congress, "To amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes."

The Department of the Army on behalf of the Department of Defense recommends the approval of the enrolled enactment.

The purpose of the bill is stated in its title. It includes provision for the early completion of a national system of interstate and defense highways.

The enactment of this measure is recommended since it provides for public highway improvements which the Department of Defense has considered highly desirable for many years.

The fiscal effects of this legislation are not known to the Department of Defense.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

Sincerely yours,

Secretary of the Army

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