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Center for  
Transportation

THE WHITE HOUSE  
WASHINGTON

December 2, 1959

MEMORANDUM FOR GENERAL GOODPASTER

Attached hereto is a record memorandum of the conference I had with the President on November 30, 1959 on the subjects of roads primarily and also water resources development.

  
J. S. Bragdon



Attachment

November 30, 1959

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MEMORANDUM FOR THE RECORD

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I. Interstate Highway Program



Reported to the President, the present status of the study on roads, and the proposal to submit a proposed First Interim Report thereon. Recalled that in response to his original assignment to me in April of 1955, there had been developed three fundamental bases for planning the highway system, to include first, the formulation of a clear concept of the extent and nature of the system; second, the type of the central management organization; and third, the method of financing. Decisions in these respects had been considered the first steps to a concrete plan. These became triply important since the adoption of the controlled access principle meant a very expensive and higher value road service and that this feature was multiplied by the 90-10 sharing. Hence, a clear-cut formulation of concept, organization and financing was considered imperative.

Recalled that the Clay Committee's Report had not been adequate in all these respects and that in particular, the \$11 billion interest burden had caused it to fail; recalling also that that committee's advisers were from the Bureau of Public Roads.

Attention was drawn to the fact that after Congress rejected the Clay Report, it reverted back to all the Federal-aid concepts and a new approach was lost in that the new 90-10 sharing Interstate System became only a great expansion of the old one; hence old criteria as to routing was applied, the old existing dual authority of the Bureau of Public Roads and the State Highway Departments remained intact, and the fundamental prohibition against tolls or immediate user charges was retained.

Presented several specific instances of extremely high costs such as the case of the Delaware Expressway routing through the city, and an example in north-west Pennsylvania of the too-frequent spacing of interchanges.

Reported that the great number of subjects of the study would require four or five months; but that inasmuch as rights-of-way and plans were being continuously approved, if any real clarification of the fundamentals and if any substantial savings were to be made, something ought to be done now.



Because early action was necessary, I reported our intention to submit a First Interim Report which would include (a) items where the greatest savings can be made if new criteria were to be adopted; (b) several major items where clarification is needed because of differences of opinion, and (c) items of such importance that legislation or major administrative action appears desirable.

The President appeared to be in general agreement as to the desirability of a First Interim Report.

The contents of the proposed First Interim Report were briefly discussed as follows:

On the question of routing in cities, the President confirmed the fact that his idea had always been that the transcontinental network for interstate and intercity travel and the Defense significances are paramount and that routing within cities is primarily the responsibility of the cities. The President was forceful on this point. The wording of the law and its intent as indicated in our special studies were presented as indicating that this could not be completely done and that various interpretations had been given to the question of "consideration of local needs" phraseology in the Highway Act of 1956. However, appropriate criteria can be adopted which will effect reductions in the expensive intracity projects.

Outlined the approximate contents of the First Interim Report as follows:

1. Routing, especially in cities. Eliminate routes which were primarily for local needs and where unnecessary for intercity connections; or require cities to pay for its part of a thruway or expressway that was primarily for local puposes.
2. Adopt stricter related criteria, such as that for interchanges, to reduce excessive costs.
3. Phasing - limit the system to such connections as meet the national objective and amended criteria and can be built within the \$25 billion present authorization for the first phase and defer to second and third phases, less important routes or segments of routes; the third phase to include routes for indefinite deferral.

4. Planning - institute gradually the system whereby highway planning would be part of the transportation plan, and the transportation plan a part of economic growth and land use plan.

5. Tolls or Immediate User Charges. Pointed out that in studies five years ago, the whole system could have been financed on this basis, but that it is probably too late now; that the traditional Bureau of Public Roads' obsession that Federal-aid roads must be "free" was outworn; but that because of the progress already made in the program, it is too late to institute any nationwide toll system. Suggested three alternatives or partial toll methods - namely (1) "State permissive" with remission of 3¢ gas tax as one incentive; (2) "Route permissive" at a State's option with the remission of only part of the 3¢ gas tax; and (3) "Section permissive" whereby if a State would construct any section of the Interstate System as a toll road, the Federal government would contribute 25% of the cost.

The President indicated that he liked the idea of self-liquidating projects. Remarked that for the remission of gas tax, it could not be applied only if a segment were to be put under tolls. It was recalled that his original desire was for self-liquidating projects if feasible.

The President remarked that General Persons, Mueller, Stans, Tallamy and I should get together to formulate action in these respects and that I could state what his feelings and desires were.

## II. Water Resources Policy



Brought up briefly the subject of whether or not something could be done with reference to a bill to secure some basic policies and principles in the field of national water resources. Stated that there was in readiness, a bill that would eliminate the controversial features which had been in other drafts to implement the recommendations of the President's Advisory Committee for Water Resources Policy, such as water rights, a statutory

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Board of Review and a Statutory Coordinator. The President stated that he would like to see something done in the line of better water resources policies in this Administration; that I should take up this matter with the Bureau of the Budget and the agencies concerned, such as Interior and Army, with the view to some action. Stated that I should be his representative to express his views.

