

AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS



Handwritten signature/initials

PRESIDENT
R. M. Whitton
Jefferson City, Missouri

TREASURER
E. W. Kilpatrick
Trenton, New Jersey

May 11, 1956

EXECUTIVE SECRETARY
A. E. Johnson
917 Nat'l Press Building
Washington 4, D. C.
Telephone NA 8-2438

The Honorable Harry Flood Byrd, Chairman
Senate Finance Committee
Senate Office Building
Washington 25, D. C.

My dear Senator Byrd:

My name is Rex M. Whitton, and I am the Chief Engineer of the Missouri State Highway Department.

I am writing you as the President of the American Association of State Highway Officials, an organization of the highway departments of the 48 States, Puerto Rico, Hawaii, and the District of Columbia, and the Bureau of Public Roads. Membership is by highway departments and not by individuals. We have no sustaining or commercial members. We are the organizations that actually build the Nation's highways -- the ones that construct the Federal-aid road systems.

Our interest is different than that of any other group that might write to you or appear before your committee, for we are the partners of the Federal Government in the construction of Federal-aid highways. We have no personal gain or profit incentive, as might be the case with other organizations. Our reward is in doing a public service as dedicated public officials.

First I would like to say that we are very much in favor of the basic concepts and provisions of the currently proposed enlarged Federal-aid road legislation as it applies to authorizations, the method of handling the program through the Bureau of Public Roads and the State Highway Departments, and the proposed financing.

There are some appendages that we would prefer to be left out of Federal law, such as the Davis-Bacon, vehicle size and weight restrictions, and utility reimbursement. We would not want our opposition to these items to jeopardize passage of the bill, for America critically needs an enlarged and accelerated program of road improvement. We believe a sound expanding economy and the civilian and national defense requires such a program without delay. We would prefer strongly that the wage determination issue be a matter for State government and not a matter for the Secretary of Labor to set.

As to the financing, we have long believed that a greater part of the Federal highway user revenues should go back into roads, and only recently has (a sum equal to) a major part of the motor fuel imposts been authorized as Federal road grants. Of the some \$38.8 billion expected income for a 16-year

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period, as per the Boggs Bill (Title II of H.R. 10660), some \$25.1 billion is to be derived from existing taxing and approximately \$13.7 billion from new taxing provisions.

On the basis of established Federal-aid policy for roads on the primary, secondary, and urban systems, we could expect that some \$15 billion of the \$25 billion from current taxing would be returned to the States for roads during the 16-year period. The other \$10 billion would have been used for general purposes. We contend that most of this should be earmarked for roads anyhow.

We believe that Title II of H.R. 10660 is fair in that the tax increases are reasonable and not of such amounts as to preclude the States from being able to derive from highway funds at the State level if conditions should dictate. It would be a mistake to attempt to finance the whole Federal road program from new user taxes and then continue to divert existing motor user taxes to general purposes.

The \$38.8 billion total earnings for the Boggs proposal, as we understand it, will liquidate all outstanding commitments of the Federal Government from 1954 and prior Federal-Aid Highway Acts, provide \$25 billion for the Interstate System, \$10.5 billion for the regular "A, B & C" systems for apportionments through 1969, and provide over a billion dollars to pay for work on the regular Federal-aid systems that might be authorized after 1969 but completed before or during 1972.

Enclosed find a chart analysis of the Boggs proposal as developed by our Executive Secretary, Mr. A. E. Johnson, a man with long administrative and technical experience in the highway field. It was used in Executive Sessions of the House Ways and Means Committee to see the relationship of the probable disbursement of Federal funds and the probable accrual of revenues into the Trust Fund account.

We believe that the actual lag between the apportionment of funds and the actual payment for work in place will be at least three years. On this basis the 16-year financing period seems reasonable. We also believe that the apportioning of at least 11 of the 13 years of authorized funds for the Interstate System must be on a basis of need.

For the entire history of road aid to the States, the authorization has carried a contractual commitment to the States that the money in that exact amount would be available. It is the States that initiate, locate, design, contract, supervise the construction, maintain, operate, and police the Federal-aid highways.

It is essential that the States know the amount of Federal funds that will be available to do an orderly job in planning, programming, and providing matching funds for the amount that will come to them. Such requirements, after basic and essential maintenance, are usually reserved by the highway department in its budgeting before finding the amount available for purely State financed highway activities.

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We respectfully request your aid in preserving this historic contractual commitment phase of highway legislation.

Again let me repeat, we, who will build the program and spend the money, are very much in favor of the legislation before you, and if we can aid your committee in any way, or if we can be helpful in conference deliberations, please call on us.

Yours very truly,

Rex M. Whitton

Rex M. Whitton
President

Encl.

cc: The Hon. Albert Gore
The Hon. Edward Martin
The Hon. Robert S. Kerr
The Hon. Hale Boggs

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