

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

November 4, 1970

SELECTED COMMENTS REGARDING THE 1970 HIGHWAY ACT --
DOT-DAC-OMB MEETING, TUESDAY AFTERNOON, NOVEMBER 3.



1) Interstate authorization --

Bob Bennett said that the House would not go to conference without a figure substantially higher than the Senate bill. There is very bad blood between the Senate and House committees. Both have written things in the bill which they plan to give up later. Privately, they will provide assurances they will drop particular items, but there will be no public admission of that. Frank Turner thinks that a compromise is possible on this item. DOT urged, however, that the higher House authorization not be opposed on the Floor, that we wait until the bill had gone to conference before making an effort to lower it.

2) Extension of time for completion of Interstate --

The same strategy holds here as for Item No. 1.

3) Authorization for fiscal 72 and fiscal 73 --

There is some give and take here. Although the support given by the Republicans to the bill in committee makes it difficult for us to determine how to wage the floor fight. Bennett says that the House is anxious to take certain items out of the trust fund; for example, Forest highways and public lands. A question was raised about the Baltimore - Washington item for \$65 million in the House bill, the section on parkways, but it was pointed out that it would be very difficult to delete this item because of Congressman Fallon's defeat. They would want to do something for a retiring chairman and Turner said that even in conference it would be very difficult to move this item, that if the House did yield, it would demand a great deal in return.

4) Urban system --

Turner said that it was impossible to change this item in the House and possibly would be impossible to change it even in conference. Both committees had worked towards this end for at least four years now. The conference of mayors and urban groups have been requesting it and have brought considerable pressure on the Congress. He believes that it would be very difficult even to get a reduction in either House. Both Bennett and Turner said that rural members would not feel they were losing out in this

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particular provision. Turner emphasized it was the proposal of all urban groups. Charlie Baker said his Department originally opposed the provision and would like to delay the implementation of the provision, but the real question is whether they can get the votes. Turner warned that the provision had wide support and said that we would be wasting our chips if we tried to do much about it. Secretary Volpe's position on this item has been that of the Senate, except for the TOPICS provision.

5) Limitation on power of the Executive --

(See page 2 of the issues raised sheet for the comments on this item)

6) Federal-State share --

The Urban Mass Transit Fund gave rise to the proposed increase in the Federal share here. The proposal now is to change it to 70-30 from 50-50, which makes it approximately two-thirds/one-third provision in UMTA. Turner estimated that the total road mileage built will be about the same. He said that the provision in many ways recognized three things:

- a) Block grants
- b) The new Federalism
- c) Establishing some sort of parity between the highway matching moneys and those of UMTA

Jim Begg said that they should oppose the item until their studies have been completed. Baker says that there have been a lot of unanswered questions on this item and so he was very happy to see it delayed. Begg said that Bennett will work up a speech for a Republican to give on the Floor and, in addition, they will prepare for a fight in conference on this item. Barber says that it is somewhat doubtful that the item can be cut. Begg said one approach that might be used would be to point out that they don't want to close their options until they have had an opportunity to consider the matter thoroughly. Turner said this item would not become operable until 1974, although the apportionment would be made in 1972. Barber pointed out that the states will check the apportionment and the new percentage requirements and figure their own share on the basis of that, as soon as the apportionment is made. It was pointed out that the speech it is planned to have Bennett worked up will have to anticipate the questions about the New Federalism which will arise .

7) Emergency relief --

This item does not include replacement of bridges but only affects bridges in imminent danger of collapse. Beggs says that the bridge problem is a big one and on this particular item they will attempt a Floor amendment in order to try to limit the amount. Involved is \$50 million per year accumulated for three years.

8) TOPICS --

Beggs said it is proposed to work this particular item out in conference. DOT wants to maintain TOPICS as a separate program, partly because the Secretary believes that there will be too much temptation to use the funds for other things if it is combined within the proposed new urban system. Harper says that one criticism of TOPICS has been that it is not sufficiently flexible. He pointed out that the Department seemed to be saying that this was a good thing. Beggs agreed with Ed's analysis.

9) Equal opportunity training --

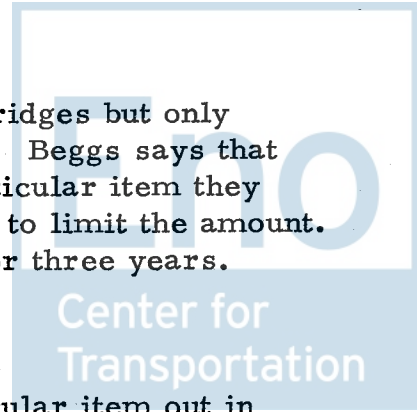
The Equal Opportunity Section provides contractors shall employ X-number of trainees. A minimum number is prescribed when the contract is signed. The section also permits the Department to authorize the training of these trainees during the off-season elsewhere than on the job. Labor supports this particular division. DOT is interested in working "with" rather than "thru" DOL.

10) Public transportation --

The Department feels they already have the authority here. The House provision would limit it somewhat. They will attempt to work on this item in conference, supporting the Senate provision.

11) Virgin Islands project --

In the House bill, this item provides \$1 million for the next three years. The Senate provision includes American Samoa and Guam. DOT prefers the more inclusive provisions of the Senate, except that the Senate section provides \$2 million each per year for the Virgin Islands, Guam and Samoa. DOT would provide \$2 million each for the Virgin Islands and Guam, but only \$500,000 for Samoa. Adkins asked whether there was any possibility of opposing that particular provision, since OMB had already sent up its opposition to the Congress. Beggs replied that Secretary Volpe was already on record in favor of the particular item. The Senate bill is in the trust fund and they would work toward that.



12) FHWA reorganization --

This would split the Safety Bureau and the Highway Administration. It changes the executive level and makes it comparable to FAA; that is, it would become a level 2, rather than a level 4. They also want to offer an amendment providing that this appointment not require confirmation. They want to offer a career appointment as Assistant Administrator. FAA has the only Level 2 now and the Department would be proposing this spot, really, for Frank Turner but they would make provision that it would only be for the incumbent. Beggs said that Turner was popular on the Hill and that the people there wanted to do it for him, too, but Krogh said that as long as a provision was included which would state that it was only for the incumbent, it might be possible to go ahead with it but that otherwise it was a dangerous and unfortunate precedent.

13) National Highway Institute --

The Administration has not proposed this provision. Beggs says it is a good idea, so in response to a question he agreed that it was not necessary to train highway employees. Frank Turner then spoke up and said that this item had been a favorite of the committee for some time. They actually had wanted a National Highway Academy, but for city and county people and state highway people and had been persuaded to change this to an institute at the suggestion, Turner said, of the Department itself. Turner thinks it's a very good idea and will help. Turner added that, in response to a specific question, in the past the Administration had opposed the academy as being too narrow. They did suggest, however, that there was a need for more specialized advance training. The Department, thus, submitted a counter recommendation which the committee took. Beggs said that the Institute was supposed to be self supporting with tuition, etc.

Beggs said "If we alienate the committee, as the previous Administration did, they can cause us a great deal of trouble. We should move very slowly against this if they really want it. Bennett suggested that we check to see how important the item really is to the committee before making any final determination.

(See No. 14 below)

15) Replacement Housing --

DOT really wants this.

16) Alaskan Highway --

This item has no meaning, since Canada has no interest in participating.

14) Markland Dam -- DOT does not oppose. Adkins asked why item should not be opposed. Bennett said it was put in at request of Cong. Snyder (R, Ky)

Frank Turner said it was one-shot provision. Krogh said "let's check it out" and see whether it should be retained.

17) Future Federal Aid Highway Program --

This amounts to an explicit statement that we pony up in an election year. It would be best to postpone this item beyond November 1972, unless the program is going to be an extremely popular one, which will make a lot of points with people around the country. It should be noted that the Senate defers the item to 1973. Baker said that the item should be stalled, if at all possible, and there was general agreement in the group that this would be far preferable. Frank Turner, however, says that the Committee feels pretty strongly about this item and will resist changing it to an odd-number year because they've always done it in an equal numbered year in the past. This fits better into the state legislative patterns. When asked why, then, the Senate should include a provision for even numbered years, Turner said he believed the Senate hadn't really thought it through. The House staff is sharper on these kinds of items, he observed. He personally believes that the Senate will switch to the even year.

This is an item which would cause us a great deal of trouble and every effort should be exerted to avoid the '72 reporting date.

18 & 19) Highway beautification authorizations; Highway Beautification Commission --

It was pointed out that these authorizations relate not to Lady Bird's beautification authorization but to billboards. Beggs observed that there had been more heat on this particular item than in anything else in the whole highway act.

Bennett says the only difference between the House and the Administration is that it takes it out of the general trust fund and sets up a Commission to study. The only way to get the House to back down at all is to get the Senate to agree to a commission. According to Bennett, this is not a bad idea, since some of the problems which have developed between the two bodies could be settled by the Commission, rather than in sharp conflict between the committees. The Commission would be similar to the Public Land Law Review Commission. Frank Turner says that he didn't like the item in the beginning, but now he thinks it's the only way we can get the thing through. When the 1968 Act was up before the Congress, the conferees fought most on the Highway Beautification authorization. This caused more problems than the rest of the measure. A Commission, therefore, might be the answer.

20) Elimination of segments --

This is related to the controverted sections of Interstate

21) Demonstration projects --

They like this.

22) Economic growth center development of highways --

DOT opposes. Said Baker "We have horrendous reservations about this one". What they need is a Republican Member of the House to give an effective speech, taking the position that a Cabinet committee is presently considering this particular matter and therefore it should be deferred. It would be unwise to say that the Administration opposes it on its merits. Baker says we really don't want this. It will lock us in and we need to do a great deal more homework before we ~~are ready for it~~ know exactly how best to oppose it, however. It's a very delicate situation. Frank Turner pointed out that Congressman Don Clausen of California was the author of this particular amendment. He doesn't have much support in the committee except that he's a good fellow and they don't like to hurt his feelings unnecessarily. At the same time, Clausen himself didn't really understand the item and was unable to explain it to others. One effective device, therefore, might be to get Clausen aside and tell him, impress upon him, that the Cabinet Committee is considering it and urge him to make a speech saying that it was a good idea and he is pleased that the Cabinet Committee is working on it, that he's willing to defer it at this moment to await their final decision.

23) District of Columbia --

Roger Adkins raised the question "Are we helping the Senate by remaining neutral on D. C. ?". This came after Beggs and the Department said that they were remaining neutral in the House debate on this particular item. Beggs said, no, they are not helping the Senate, but who wants to get into this very difficult problem. Bennett warned that if we take the House committee on when the Senate has just gotten through slapping them in the face, it is clear that the House, in Floor action, will put in a provision which will strengthen the hand of Natcher and the House committee. There is little sympathy in the committee for the District of Columbia. Krogh thinks we ought ~~just~~ to support D. C. Beggs points out that the House committee did permit a start on the subway. Turner says the committee has no quarrel with Metro going ahead. They want the road and Metro, but at the same time. The best they can hope for is that in conference it will be agreed that they will go back to the 1968 act, leaving out both ~~present~~ House and Senate provisions in their present bills.

24) Toll roads --

This provision shouldn't be in the bill at all, according to one DOT spokesman. It was put in largely because Fred Schwengel doesn't like to throw quarters in the toll basket.

25) Highway project priorities --

An attempt should be made in conference to get the House provision to prevail. Nothing should be done on the Floor.

26) Highway Safety Act of 1970 --

DOT wants three changes:

- a) Delete the provisions issuing new standards after Dec. 31, 1970;
- b) Obtain a provision allowing Section 403 funds to be available during the year of appropriation and two years thereafter;
- c) Eliminate the provision which legislatively splits the 3-1/2 and 12-1/2 standards between the FHWA and the NHTSB.

Frank Turner says that this is a toss up in conference. They can get alcohol (403) safety fund out of the trust fund, but it's going to be more difficult to get favorable action on Section 402. 402 is what we want now; 403 is what we are looking at covetously. It is a very sensitive issue.

The Safety Bureau has trouble with the 1974 expiration date (see H^U use highway safety demonstration provision). Turner points out that he thinks we would be unable to increase the time-span now, though this might be done later on, since the Safety Bureau had already told the committee they could do it even though they didn't like it. This is regarded as a prodding action as much as anything. The House committee opposes getting grants out of the trust fund.

27) Bridge replacement --

This is a major issue, according to Beggs. Some studies show that there is a need to replace 40% of bridges, which would amount to many billions of dollars. This has led to the House reaction. DOT doesn't like it particularly. The first estimate of this has been from \$10 to \$12 billion. The House bill requires, unless the Secretary exempts, states to spend between 5 and 10% of primary and secondary bridge replacement with the Federal government paying 90% of the replacement costs. The Senate bill provides a Federal share of only 75%, but is more ambitious in authorizing an additional \$450 million for fiscal 71, 72 and 73. Beggs says that he thinks we should go for 70% maximum and work for a lower figure than the 5 and 10% figures presently in the bill. Turner says that this provision isn't too effective in grade crossing section. To beat it, try to keep the percentage down low enough so that it doesn't offer a major endowment to the states.

Several of them said, however, that eventually we were going to have to face up to this particular problem, although we can try to push it away from us as long as we possibly can.

28) Elimination of grade crossings --

This is a perennial question and the Department opposes the elimination of grade crossings until their study has been completed. They support the Washington-Boston Corridor demonstration project, but are trying to get the Greenwood, South Carolina one eliminated in conference. The latter having been included at the request of Congressman Dorn of South Carolina.

